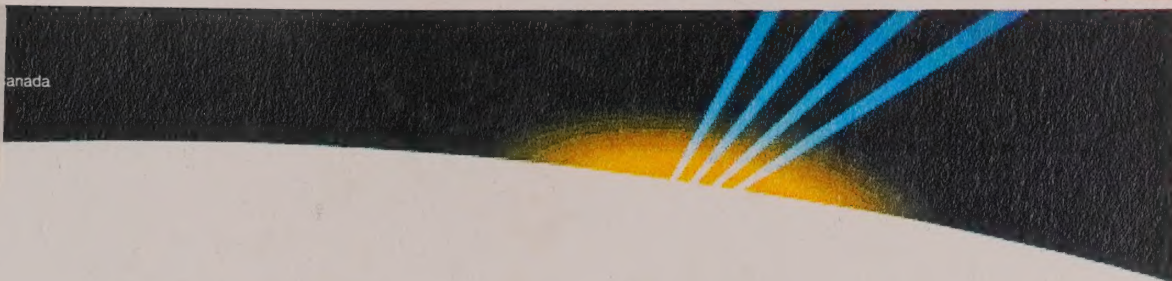


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Canada



AEROSPACE AND DEFENCE-RELATED INDUSTRIES



STATISTICAL SURVEY REPORT 1995

Aerospace and Defence Branch
April 1996

This report is the 1995 annual survey of the Canadian Aerospace and Defence Industries, collected and conducted on behalf of the industry by the Aerospace and Defence Branch of Industry Canada.

Enquiries or comments on this report can be made through the individual in Industry Canada listed below. In making enquiries please note that the information contained in the survey is provided in aggregate form for the industry as a whole. Specific company data, or data that could reveal specific company performance will not be divulged or discussed.

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Ottawa, Ontario
Canada
K1A 0H5*

The report is the 1955 annual report of the Department of Health, 1956. It contains information on the work of the Department during the year, and is a valuable source of information for the public and for the medical profession.

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Department of Health
1955-1956 Annual Report
1956

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Introduction

The 1995 annual report on Canada's Aerospace and Defence Industries marks the 11th anniversary of the department's annual survey of this industry sector. The publication of these historical figures along with the latest survey results is made possible with the co-operation of the participating companies and the ongoing support of the Aerospace Industries Association of Canada (AIAC) and the Canadian Defence Preparedness Association (CDPA).

During 1995, survey forms were sent to 78 Canadian Aerospace and Defence-Related companies with sales in excess of \$10 million annually. Data for this year's survey were collected over the period March 1995 through April 1995. Complete and partial responses were received from 59 companies. Measures were taken within Industry Canada to compensate for missing data through reference to other data sources or by contacting companies. Allowance has also been made for the small business element that was not captured directly in the survey.

As in previous years, companies have been assured that their individual returns will be held in strictest confidence within Industry Canada and the data will be employed and released in aggregate form only.

SUMMARY OF SURVEY RESULTS



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<https://archive.org/details/31761117653030>

SUMMARY OF SURVEY RESULTS

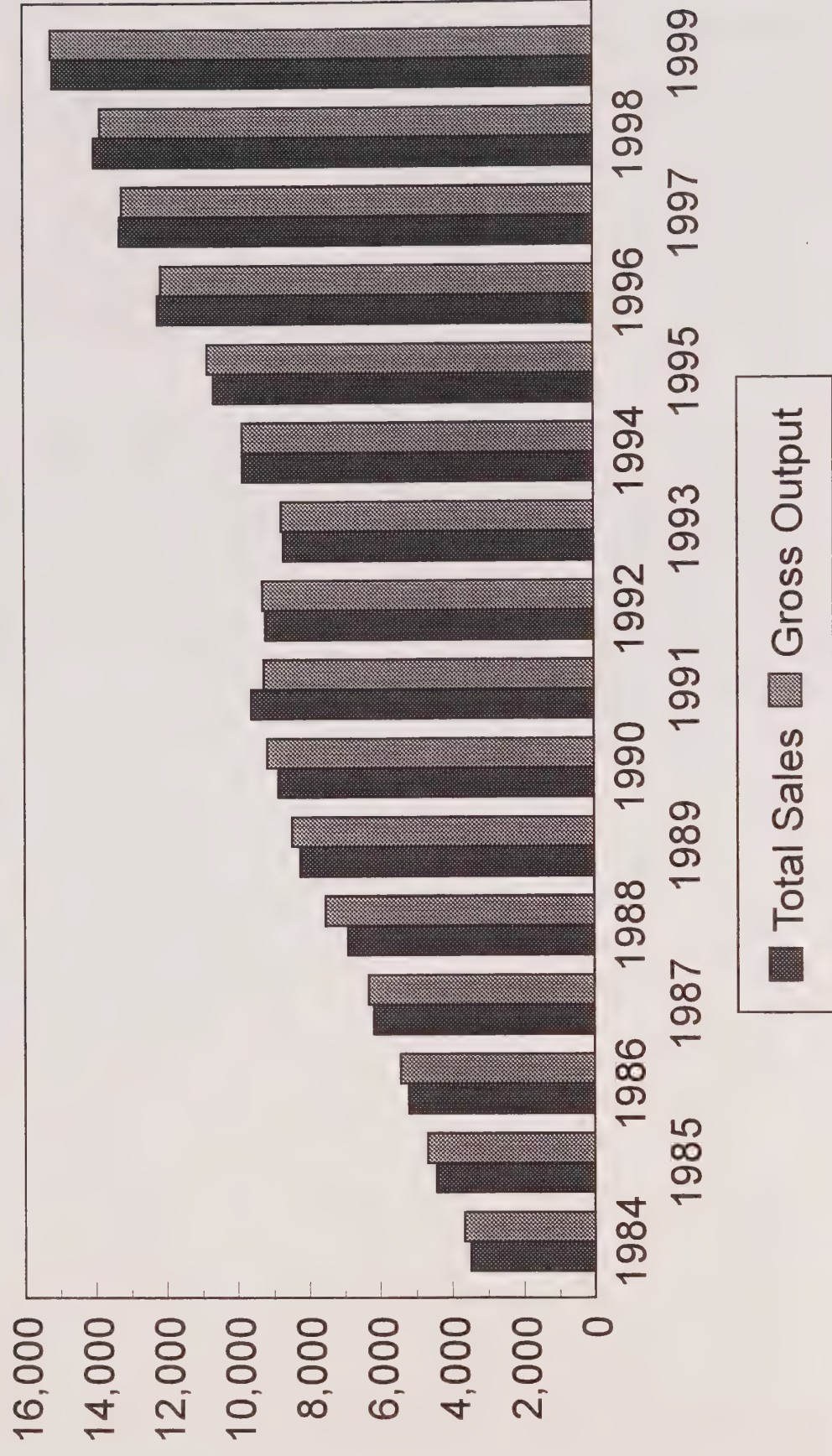
Summary of Survey Results

The 1995 survey returns indicate a strengthening economic recovery in the Aerospace and Defence sector. The expansion in economic activity, which began in 1994, continued in 1995 led by growth in export sales. Overall, sales and output moved upward and, as the turnaround intensified, signs of recovery spread from the Airframes and Propulsion subsectors to other subsectors such as Avionics and Space. With the expansion in output, employment increased somewhat following the sharp declines during the 1991-1993 recession. Investment continued to grow in 1995, but the rate slowed reflecting lower investment spending by customers (particularly governments). Investment spending by companies in the sector itself, continued upward in 1995.

Company forecasts for the sector between 1995 and 1999 indicate that output and sales will continue to increase, spurred on largely by the growth in export demand. In contrast, employment growth will remain sluggish and will not achieve pre-recession peaks by 1999. Moreover, investment spending is expected to decline over the period from current high levels. In part, this weakness in the growth in investment spending will be attributed to continued declines in customers such as the government as a source of demand, but will also reflect cutbacks in government cost shared programs with industry such as the Defence Industry Productivity Program (DIPP). Further details on the performance and forecast of the Industry are found in the attached tables and charts.

TOTAL SALES vs GROSS OUTPUT

\$ Millions



Total Sales and Gross Output (\$ Millions)

| Fiscal Year | Total Sales | Gross Output |
|-------------|-------------|--------------|
| 1984 | 3482 | 3654 |
| 1985 | 4438 | 4682 |
| 1986 | 5198 | 5432 |
| 1987 | 6184 | 6323 |
| 1988 | 6902 | 7530 |
| 1989 | 8230 | 8453 |
| 1990 | 8844 | 9144 |
| 1991 | 9593 | 9236 |
| 1992 | 9196 | 9262 |
| 1993 | 8683 | 8902 |
| 1994 | 9820 | 9828 |
| 1995* | 10626 | 10854 |
| 1996* | 12200 | 12156 |
| 1997* | 13273 | 13191 |
| 1998* | 13992 | 13791 |
| 1999* | 15163 | 15632 |

Annual Growth Rates

| Fiscal Year | Total Sales | Gross Output |
|-------------|-------------|--------------|
| 1985 | 27% | 28% |
| 1986 | 17% | 16% |
| 1987 | 19% | 16% |
| 1988 | 12% | 19% |
| 1989 | 19% | 12% |
| 1990 | 7% | 8% |
| 1991 | 8% | 1% |
| 1992 | -4% | 0.3% |
| 1993 | -6% | -4% |
| 1994 | 13% | 10% |
| 1995* | 8% | 10% |
| 1996* | 15% | 12% |
| 1997* | 9% | 9% |
| 1998* | 5% | 5% |
| 1999* | 8% | 13% |

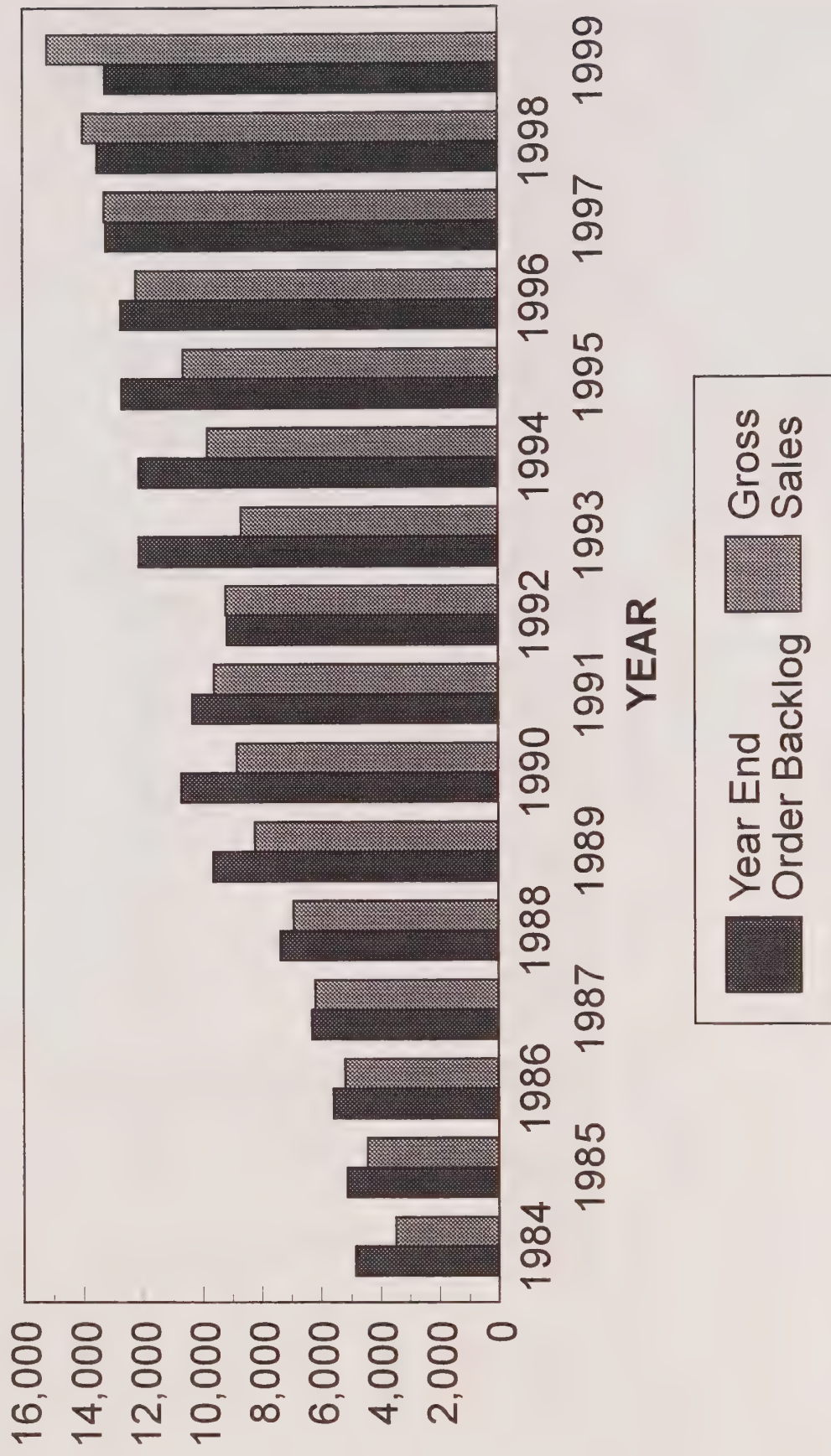
Compound Annual Average Rate of Growth

| Fiscal Year | Total Sales | Gross Output |
|-------------|-------------|--------------|
| 1984-1991 | 16% | 14% |
| 1991-1993 | -5% | -2% |
| 1994-1999 | 9% | 10% |

Years with * are Forecast

GROSS SALES vs ORDER BACKLOG

\$ MILLIONS



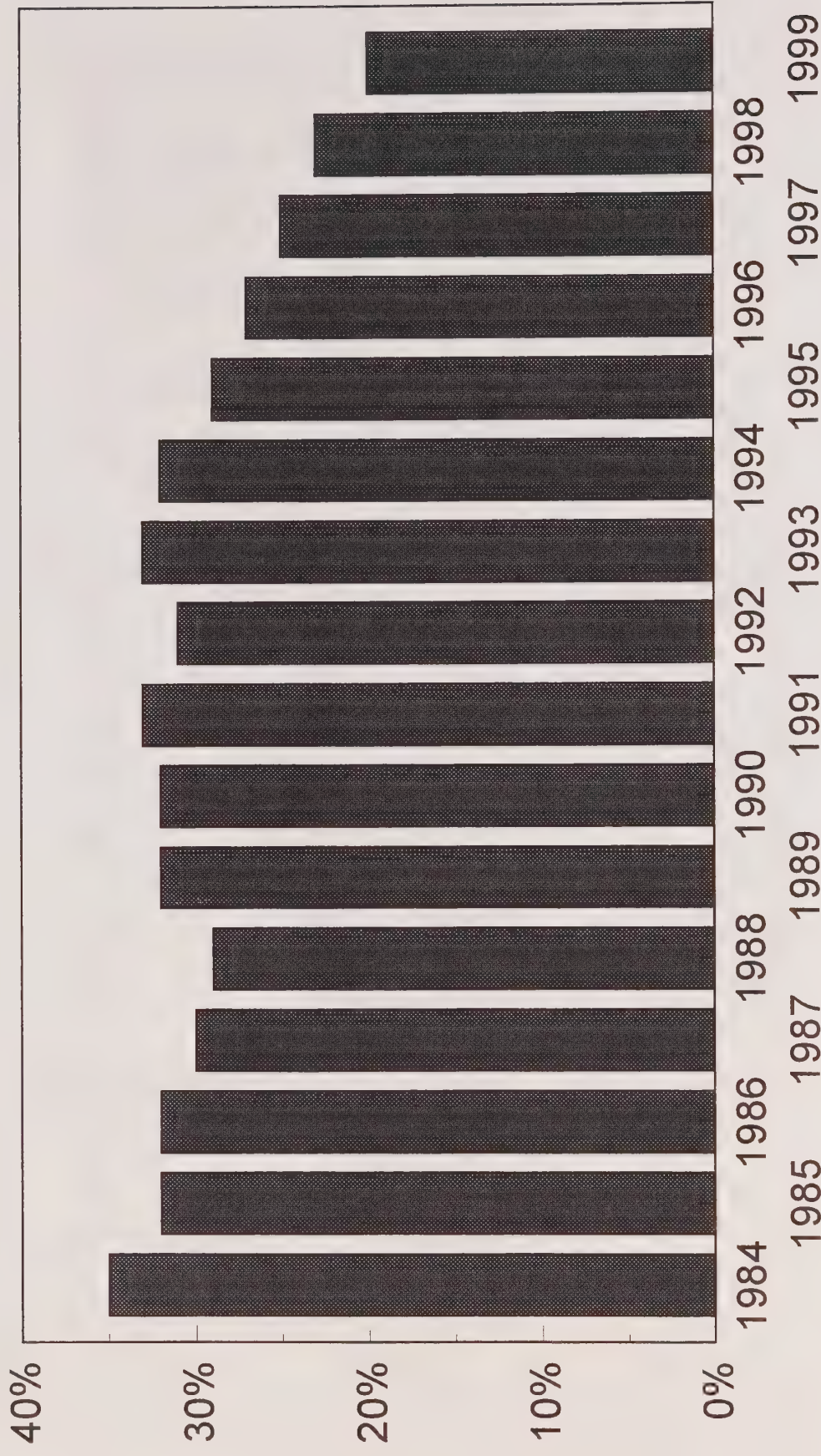
| Order Backlog and Gross Sales (\$ Millions) | | |
|--|---------|-------------|
| Fiscal Year | Backlog | Gross Sales |
| 1984 | 4841 | 3482 |
| 1985 | 5115 | 4438 |
| 1986 | 5579 | 5198 |
| 1987 | 6290 | 6184 |
| 1988 | 7376 | 6902 |
| 1989 | 9625 | 8230 |
| 1990 | 10708 | 8844 |
| 1991 | 10325 | 9593 |
| 1992 | 9165 | 9196 |
| 1993 | 12103 | 8683 |
| 1994 | 12106 | 9820 |
| 1995* | 12682 | 10626 |
| 1996* | 12713 | 12200 |
| 1997* | 13213 | 13273 |
| 1998* | 13512 | 13992 |
| 1999* | 13262 | 15163 |

| Annual Growth Rates | | |
|----------------------------|---------|-------------|
| Fiscal Year | Backlog | Gross Sales |
| 1984 | 6% | 27% |
| 1985 | 9% | 17% |
| 1986 | 13% | 19% |
| 1987 | 17% | 12% |
| 1988 | 30% | 19% |
| 1989 | 11% | 7% |
| 1990 | -4% | 8% |
| 1991 | -11% | -4% |
| 1992 | 32% | -6% |
| 1993 | 0% | 13% |
| 1994 | 5% | 8% |
| 1995* | 0% | 15% |
| 1996* | 4% | 9% |
| 1997* | 2% | 5% |
| 1998* | -2% | 8% |
| 1999* | | |

| Compound Annual Average Rate of Growth | | |
|---|---------|-------------|
| Fiscal Year | Backlog | Gross Sales |
| 1984-1991 | 11% | 16% |
| 1991-1993 | 8% | -5% |
| 1994-1999 | 2% | 9% |

| |
|---------------------------|
| Years with * are Forecast |
|---------------------------|

Inventories as a % of Gross Sales



| Inventories as a % of Gross Sales | | | |
|--|-------------|-------------|------------|
| Fiscal Year | Inventories | Gross Sales | Percentage |
| 1984 | 1227 | 3482 | 35% |
| 1985 | 1399 | 4438 | 32% |
| 1986 | 1643 | 5198 | 32% |
| 1987 | 1877 | 6184 | 30% |
| 1988 | 2016 | 6902 | 29% |
| 1989 | 2644 | 8230 | 32% |
| 1990 | 2867 | 8844 | 32% |
| 1991 | 3167 | 9593 | 33% |
| 1992 | 2810 | 9196 | 31% |
| 1993 | 2876 | 8683 | 33% |
| 1994 | 3095 | 9820 | 32% |
| 1995* | 3103 | 10626 | 29% |
| 1996* | 3331 | 12200 | 27% |
| 1997* | 3287 | 13273 | 25% |
| 1998* | 3205 | 13992 | 23% |
| 1999* | 3004 | 15163 | 20% |

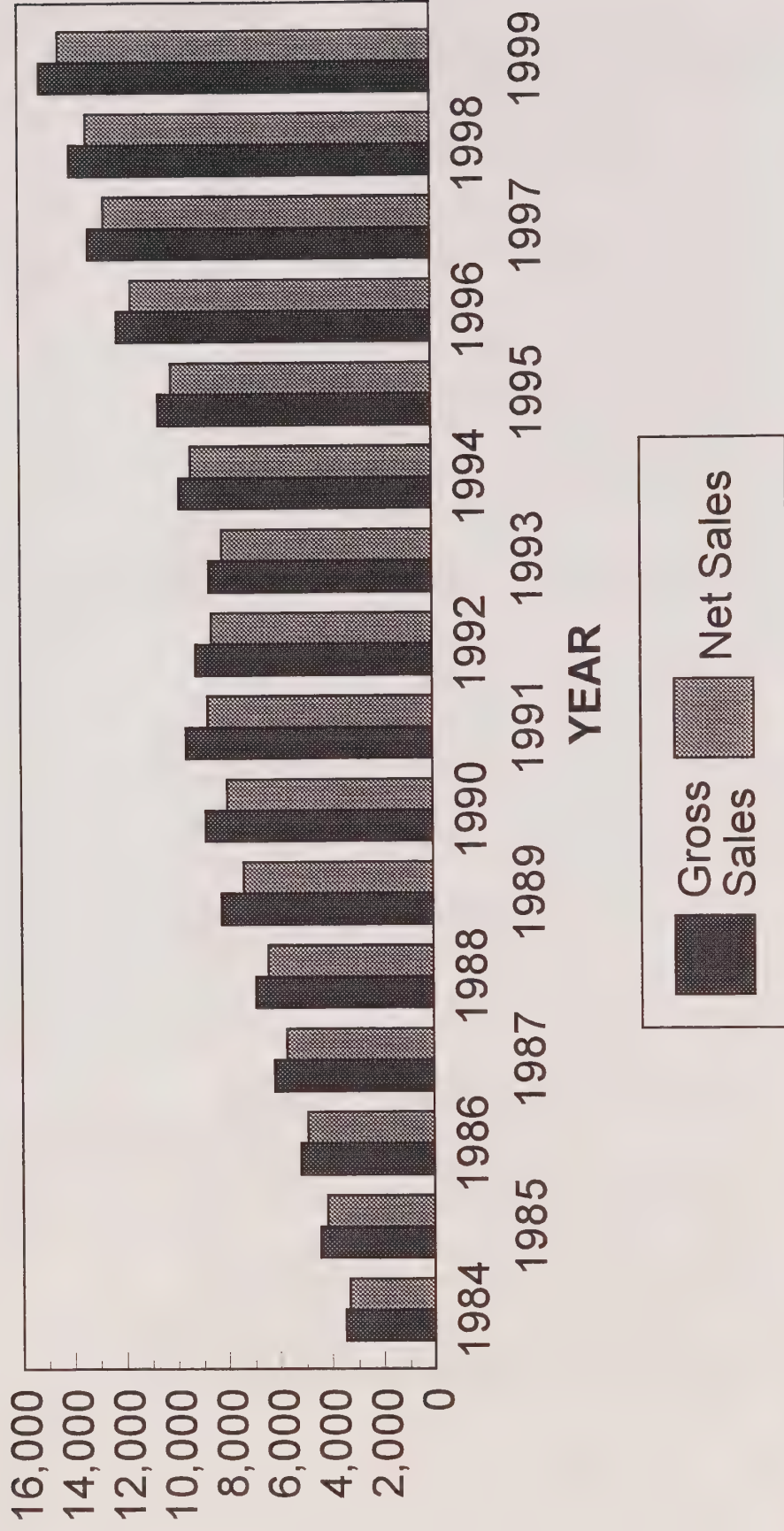
| Annual Growth Rates | | | |
|----------------------------|-------------|-------------|------------|
| Fiscal Year | Inventories | Gross Sales | Percentage |
| 1985 | 14% | 27% | -11% |
| 1986 | 17% | 17% | 0% |
| 1987 | 14% | 19% | -4% |
| 1988 | 7% | 12% | -4% |
| 1989 | 31% | 19% | 10% |
| 1990 | 8% | 7% | 1% |
| 1991 | 10% | 8% | 2% |
| 1992 | -11% | -4% | -7% |
| 1993 | 2% | -6% | 8% |
| 1994 | 8% | 13% | -5% |
| 1995* | 0% | 8% | -7% |
| 1996* | 7% | 15% | -7% |
| 1997* | -1% | 9% | -9% |
| 1998* | -2% | 5% | -8% |
| 1999* | -6% | 8% | -14% |

| Compound Annual Average Rate of Growth | | | |
|---|-------------|-------------|------------|
| Fiscal Year | Inventories | Gross Sales | Percentage |
| 1984-1991 | 15% | 16% | -1% |
| 1991-1993 | -5% | -5% | 0% |
| 1994-1999 | -1% | 9% | -9% |

Years with * are Forecast

GROSS SALES vs NET SALES

\$ MILLIONS



Net Sales = Gross Sales - Sales to Canadian
Aerospace & Defence Manufacturers

Net Sales vs Gross Sales (\$ Millions)

| Fiscal Year | Net Sales | Gross Sales |
|-------------|-----------|-------------|
| 1984 | 3332 | 3482 |
| 1985 | 4166 | 4438 |
| 1986 | 4905 | 5198 |
| 1987 | 5708 | 6184 |
| 1988 | 6415 | 6902 |
| 1989 | 7373 | 8230 |
| 1990 | 7993 | 8844 |
| 1991 | 8747 | 9593 |
| 1992 | 8595 | 9196 |
| 1993 | 8171 | 8683 |
| 1994 | 9369 | 9820 |
| 1995* | 10117 | 10626 |
| 1996* | 11666 | 12200 |
| 1997* | 12685 | 13273 |
| 1998* | 13338 | 13992 |
| 1999* | 14420 | 15163 |

Annual Growth Rates

| Fiscal Year | Net Sales | Gross Sales |
|-------------|-----------|-------------|
| 1985 | 25% | 27% |
| 1986 | 18% | 17% |
| 1987 | 16% | 19% |
| 1988 | 12% | 12% |
| 1989 | 15% | 19% |
| 1990 | 8% | 7% |
| 1991 | 9% | 8% |
| 1992 | -2% | -4% |
| 1993 | -5% | -6% |
| 1994 | 15% | 13% |
| 1995* | 8% | 8% |
| 1996* | 15% | 15% |
| 1997* | 9% | 9% |
| 1998* | 5% | 5% |
| 1999* | 8% | 8% |

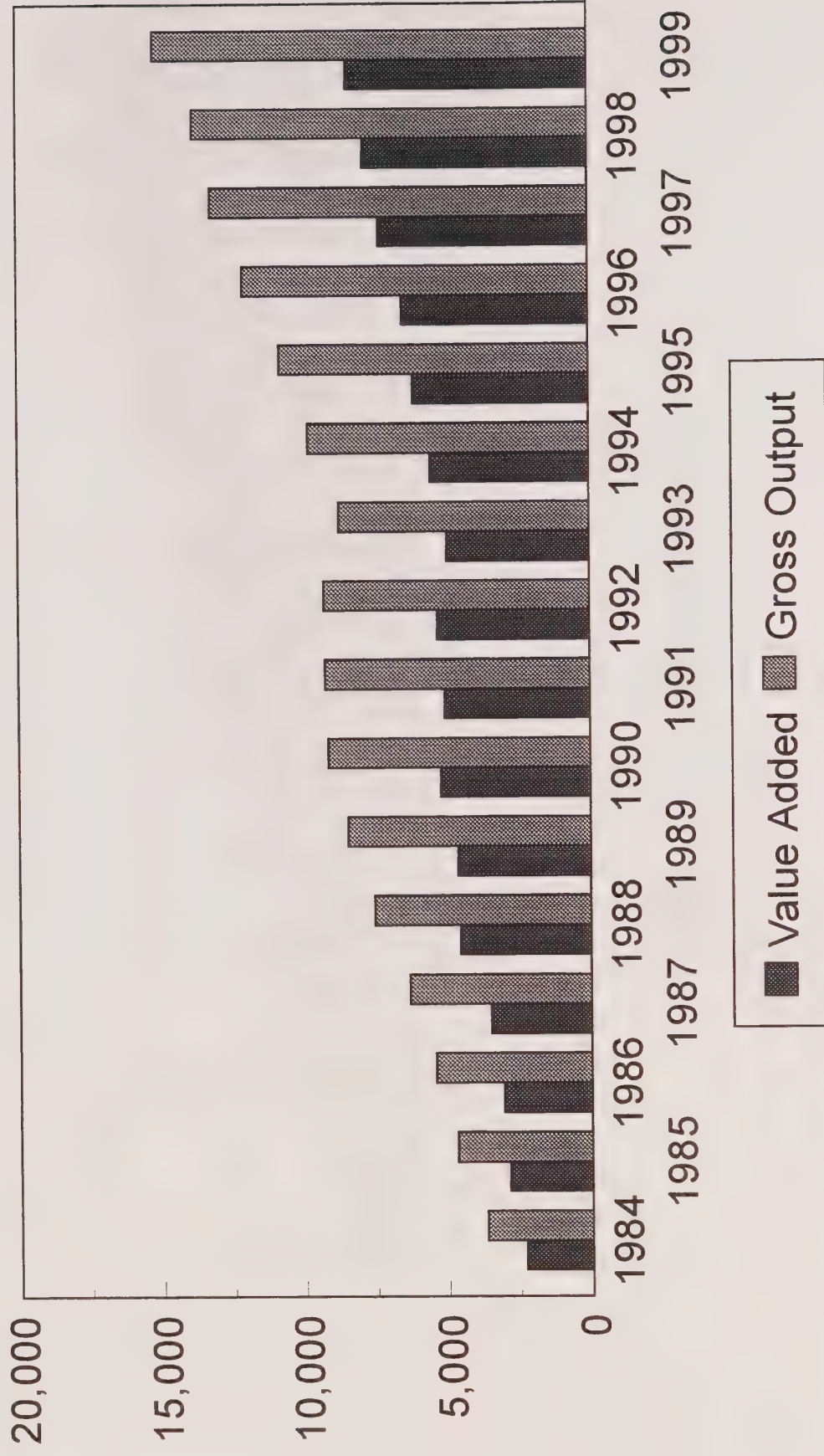
Compound Annual Growth Rate

| Fiscal Year | Net Sales | Gross Sales |
|-------------|-----------|-------------|
| 1984-1991 | 15% | 16% |
| 1991-1993 | -3% | -5% |
| 1994-1999 | 9% | 9% |

Years with * are Forecast

Gross Output vs Value Added

\$ Millions



| Gross Output vs Value Added (\$ Millions) | | |
|---|--------------|-------------|
| Fiscal Year | Gross Output | Value Added |
| 1984 | 3654 | 2296 |
| 1985 | 4682 | 2857 |
| 1986 | 5432 | 3058 |
| 1987 | 6323 | 3483 |
| 1988 | 7530 | 4549 |
| 1989 | 8453 | 4631 |
| 1990 | 9144 | 5224 |
| 1991 | 9236 | 5074 |
| 1992 | 9262 | 5323 |
| 1993 | 8902 | 5135 |
| 1994 | 9828 | 5553 |
| 1995 | 10854 | 6181 |
| 1996 | 12156 | 6556 |
| 1997 | 13191 | 7281 |
| 1998 | 13791 | 7802 |
| 1999 | 15632 | 8845 |

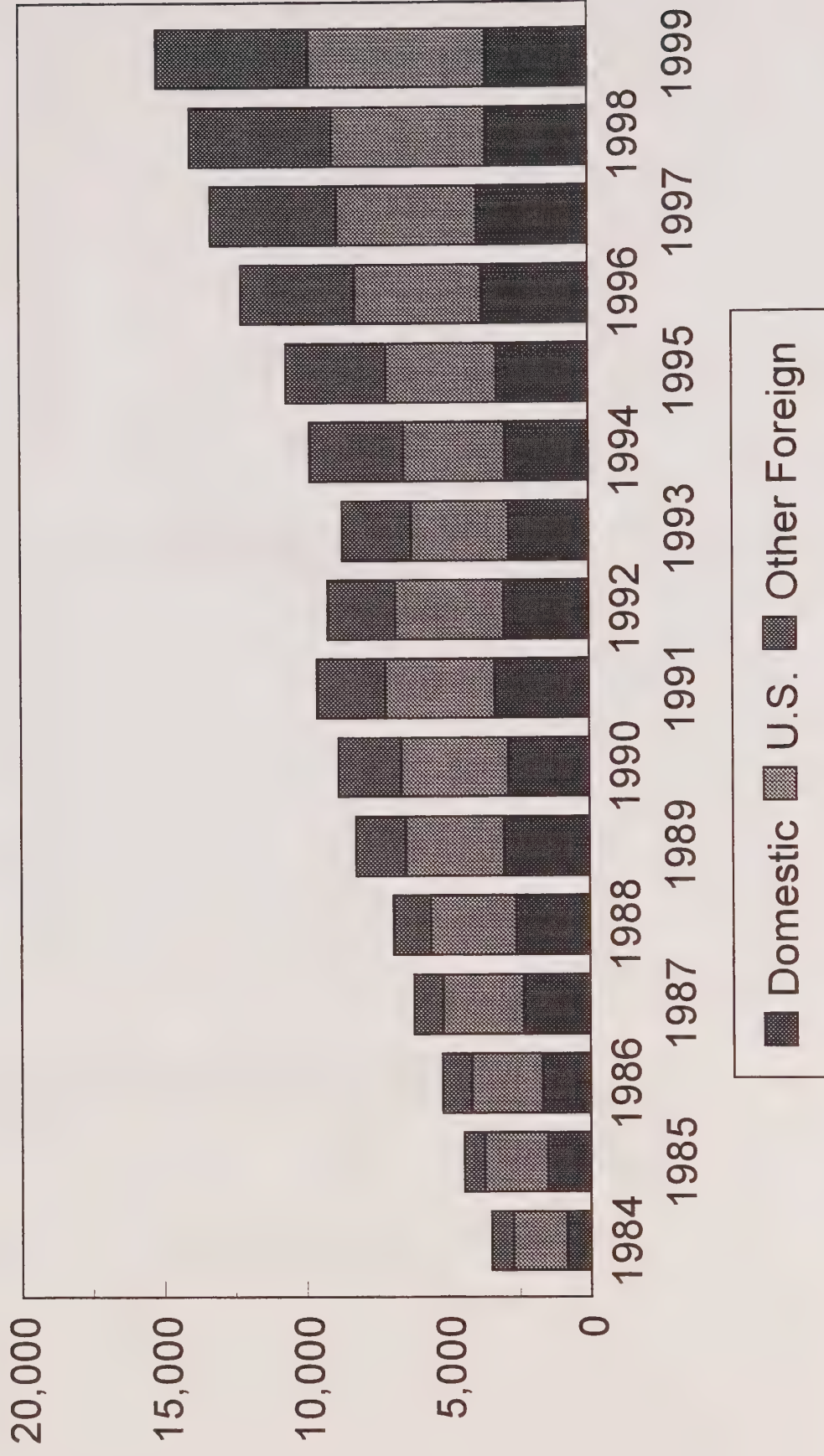
| Annual Growth Rates | | |
|---------------------|--------------|-------------|
| Fiscal Year | Gross Output | Value Added |
| 1985 | 28% | 24% |
| 1986 | 16% | 7% |
| 1987 | 16% | 14% |
| 1988 | 19% | 31% |
| 1989 | 12% | 2% |
| 1990 | 8% | 13% |
| 1991 | 1% | -3% |
| 1992 | 0% | 5% |
| 1993 | -4% | -4% |
| 1994 | 10% | 8% |
| 1995* | 10% | 11% |
| 1996* | 12% | 6% |
| 1997* | 9% | 11% |
| 1998* | 5% | 7% |
| 1999* | 13% | 13% |

| Compound Annual Average Rate of Growth | | |
|--|--------------|-------------|
| Fiscal Year | Gross Output | Value Added |
| 1984-1991 | 14% | 12% |
| 1991-1993 | -2% | 1% |
| 1994-1999 | 10% | 10% |

| |
|---------------------------|
| Years with * are Forecast |
|---------------------------|

SALES BY GEOGRAPHIC AREA

\$ Millions



| Sales by Geographic Area (\$ Millions) | | | | |
|--|--------|------|---------------|-------|
| Fiscal Year | Canada | USA | Other Foreign | Total |
| 1984 | 871 | 1839 | 772 | 3482 |
| 1985 | 1535 | 2185 | 718 | 4438 |
| 1986 | 1701 | 2455 | 1041 | 5197 |
| 1987 | 2325 | 2827 | 1031 | 6183 |
| 1988 | 2570 | 3016 | 1316 | 6902 |
| 1989 | 3001 | 3449 | 1779 | 8229 |
| 1990 | 2851 | 3740 | 2253 | 8844 |
| 1991 | 3301 | 3860 | 2431 | 9592 |
| 1992 | 2978 | 3824 | 2393 | 9195 |
| 1993 | 2807 | 3406 | 2470 | 8683 |
| 1994 | 2921 | 3580 | 3319 | 9820 |
| 1995* | 3203 | 3903 | 3520 | 10626 |
| 1996* | 3703 | 4496 | 4000 | 12199 |
| 1997* | 3870 | 4954 | 4449 | 13273 |
| 1998* | 3560 | 5448 | 4984 | 13992 |
| 1999* | 3562 | 6247 | 5354 | 15163 |

| Percentage of Total Sales by Geographic Area | | | | |
|--|--------|-----|---------------|-------|
| Fiscal Year | Canada | USA | Other Foreign | Total |
| 1984 | 25% | 53% | 22% | 100% |
| 1985 | 35% | 49% | 16% | 100% |
| 1986 | 33% | 47% | 20% | 100% |
| 1987 | 38% | 46% | 17% | 100% |
| 1988 | 37% | 44% | 19% | 100% |
| 1989 | 36% | 42% | 22% | 100% |
| 1990 | 32% | 42% | 25% | 100% |
| 1991 | 34% | 40% | 25% | 100% |
| 1992 | 32% | 42% | 26% | 100% |
| 1993 | 32% | 39% | 28% | 100% |
| 1994 | 30% | 36% | 34% | 100% |
| 1995* | 30% | 37% | 33% | 100% |
| 1996* | 30% | 37% | 33% | 100% |
| 1997* | 29% | 37% | 34% | 100% |
| 1998* | 25% | 39% | 36% | 100% |
| 1999* | 23% | 41% | 35% | 100% |

| Annual Growth Rates | | | | |
|---------------------|--------|------|---------------|-------|
| Fiscal Year | Canada | USA | Other Foreign | Total |
| 1985 | 76% | 19% | -7% | 27% |
| 1986 | 11% | 12% | 45% | 17% |
| 1987 | 37% | 15% | -1% | 19% |
| 1988 | 11% | 7% | 28% | 12% |
| 1989 | 17% | 14% | 35% | 19% |
| 1990 | -5% | 8% | 27% | 7% |
| 1991 | 16% | 3% | 8% | 8% |
| 1992 | -10% | -1% | -2% | -4% |
| 1993 | -6% | -11% | 3% | -6% |
| 1994 | 4% | 5% | 34% | 13% |
| 1995* | 10% | 9% | 6% | 8% |
| 1996* | 16% | 15% | 14% | 15% |
| 1997* | 5% | 10% | 11% | 9% |
| 1998* | -8% | 10% | 12% | 5% |
| 1999* | 0.1% | 15% | 7% | 8% |

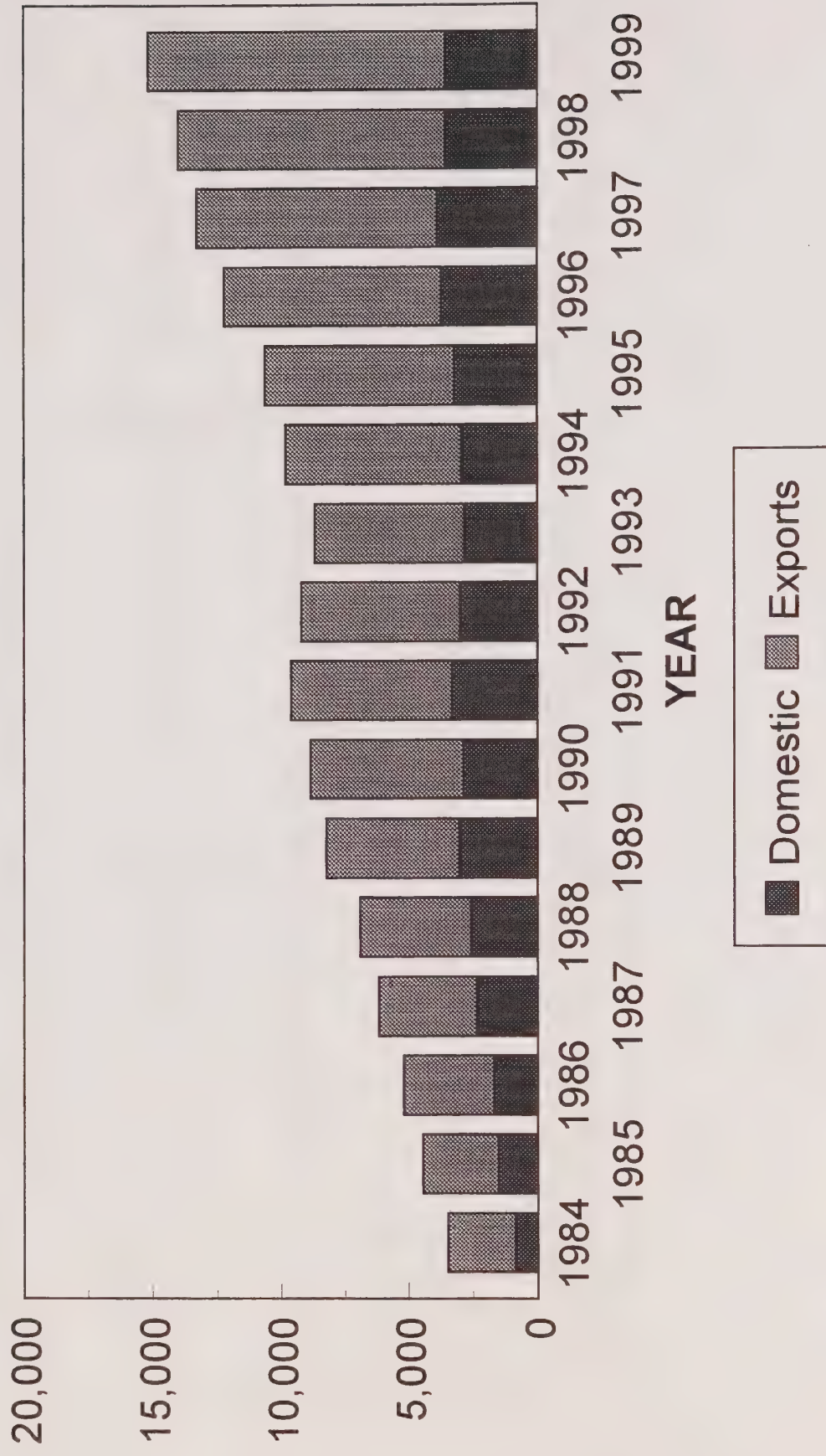
| Compound Annual Average Rate of Growth | | | | |
|--|--------|-----|---------------|-------|
| Fiscal Year | Canada | USA | Other Foreign | Total |
| 1984-1991 | 21% | 11% | 18% | 16% |
| 1991-1993 | -8% | -6% | 1% | -5% |
| 1994-1999 | 4% | 12% | 10% | 9% |

Years with * are Forecast

DOMESTIC VS EXPORT

SALES

\$MILLIONS



| Domestic vs Export Sales (\$ Millions) | | | |
|---|----------|---------|-------|
| Fiscal Year | Domestic | Exports | Total |
| 1984 | 871 | 2611 | 3482 |
| 1985 | 1535 | 2903 | 4438 |
| 1986 | 1701 | 3496 | 5197 |
| 1987 | 2325 | 3858 | 6183 |
| 1988 | 2570 | 4332 | 6902 |
| 1989 | 3001 | 5229 | 8230 |
| 1990 | 2851 | 5993 | 8844 |
| 1991 | 3301 | 6291 | 9592 |
| 1992 | 2978 | 6218 | 9196 |
| 1993 | 2807 | 5876 | 8683 |
| 1994 | 2921 | 6899 | 9820 |
| 1995* | 3203 | 7417 | 10620 |
| 1996* | 3703 | 8492 | 12195 |
| 1997* | 3870 | 9403 | 13273 |
| 1998* | 3560 | 10432 | 13992 |
| 1999* | 3562 | 11601 | 15163 |

| Percentage of Total Sales | | | |
|---------------------------|----------|---------|-------|
| Fiscal Year | Domestic | Exports | Total |
| 1984 | 25% | 75% | 100% |
| 1985 | 35% | 65% | 100% |
| 1986 | 33% | 67% | 100% |
| 1987 | 38% | 62% | 100% |
| 1988 | 37% | 63% | 100% |
| 1989 | 36% | 64% | 100% |
| 1990 | 32% | 68% | 100% |
| 1991 | 34% | 66% | 100% |
| 1992 | 32% | 68% | 100% |
| 1993 | 32% | 68% | 100% |
| 1994 | 30% | 70% | 100% |
| 1995* | 30% | 70% | 100% |
| 1996* | 30% | 70% | 100% |
| 1997* | 29% | 71% | 100% |
| 1998* | 25% | 75% | 100% |
| 1999* | 23% | 77% | 100% |

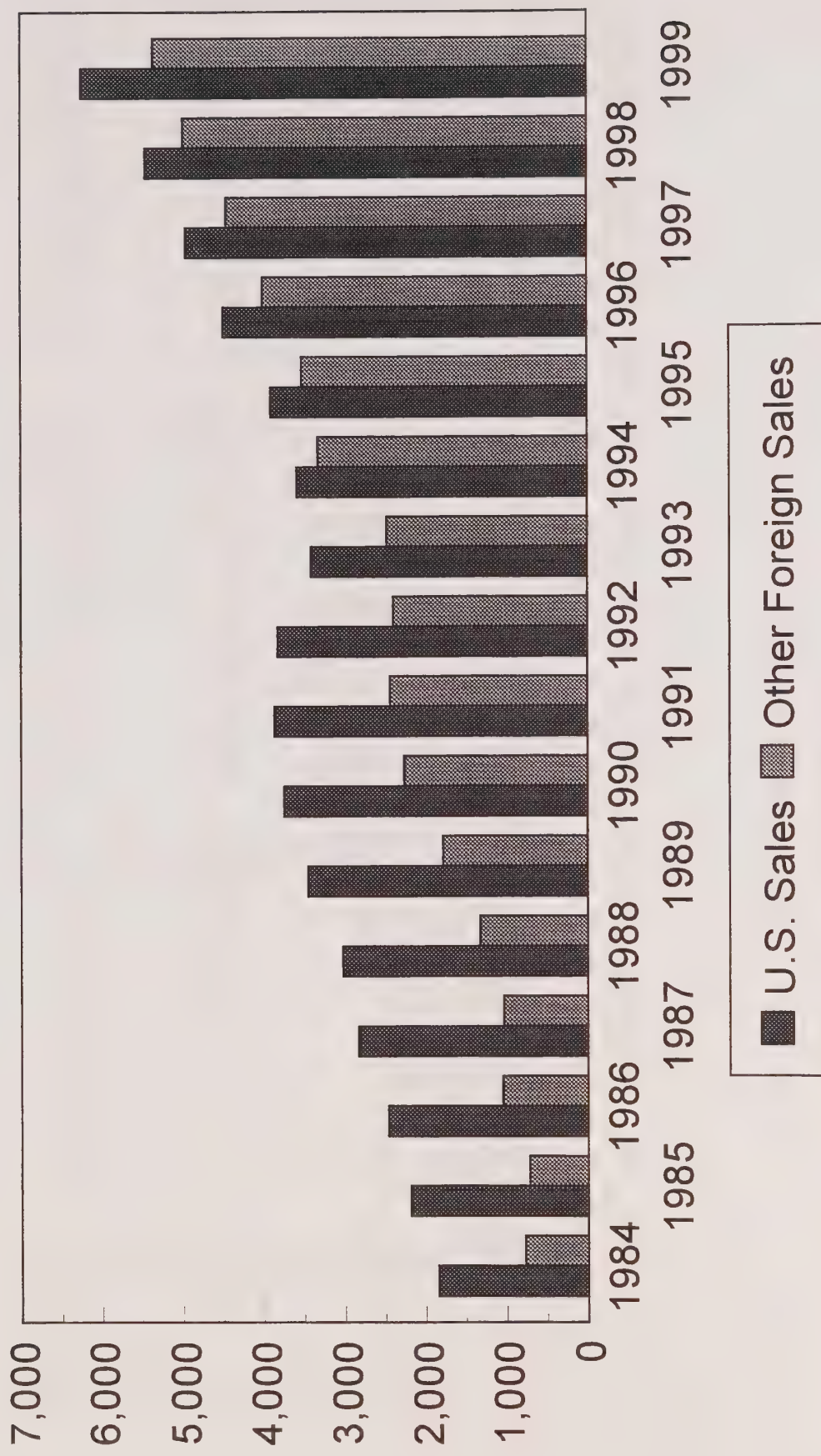
| Annual Growth Rates | | | |
|---------------------|----------|---------|-------|
| Fiscal Year | Domestic | Exports | Total |
| 1985 | 76% | 11% | 27% |
| 1986 | 11% | 20% | 17% |
| 1987 | 37% | 10% | 19% |
| 1988 | 11% | 12% | 12% |
| 1989 | 17% | 21% | 19% |
| 1990 | -5% | 15% | 7% |
| 1991 | 16% | 5% | 8% |
| 1992 | -10% | -1% | -4% |
| 1993 | -6% | -6% | -6% |
| 1994 | 4% | 17% | 13% |
| 1995* | 10% | 8% | 8% |
| 1996* | 16% | 14% | 15% |
| 1997* | 5% | 11% | 9% |
| 1998* | -8% | 11% | 5% |
| 1999* | 0% | 11% | 8% |

| Compound Annual Average Rate of Growth | | | |
|--|----------|---------|-------|
| Fiscal Year | Domestic | Exports | Total |
| 1984-1991 | 21% | 13% | 16% |
| 1991-1993 | -8% | -3% | -5% |
| 1994-1999 | 4% | 11% | 9% |

Years with * are Forecast

DESTINATION OF EXPORT SALES

\$ Millions



| Destination of Export Sales (\$ Millions) | | | |
|---|------|---------------|-------|
| Fiscal Year | USA | Other Foreign | Total |
| 1984 | 1839 | 772 | 2611 |
| 1985 | 2185 | 718 | 2903 |
| 1986 | 2455 | 1041 | 3496 |
| 1987 | 2827 | 1031 | 3858 |
| 1988 | 3016 | 1316 | 4332 |
| 1989 | 3449 | 1779 | 5228 |
| 1990 | 3740 | 2253 | 5993 |
| 1991 | 3860 | 2431 | 6291 |
| 1992 | 3824 | 2393 | 6217 |
| 1993 | 3406 | 2470 | 5876 |
| 1994 | 3580 | 3319 | 6899 |
| 1995* | 3903 | 3520 | 7423 |
| 1996* | 4496 | 4000 | 8496 |
| 1997* | 4954 | 4449 | 9403 |
| 1998* | 5448 | 4984 | 10432 |
| 1999* | 6247 | 5354 | 11601 |

| Percentage of Total Export Sales | | | |
|----------------------------------|-----|---------------|-------|
| Fiscal Year | USA | Other Foreign | Total |
| 1984 | 70% | 30% | 100% |
| 1985 | 75% | 25% | 100% |
| 1986 | 70% | 30% | 100% |
| 1987 | 73% | 27% | 100% |
| 1988 | 70% | 30% | 100% |
| 1989 | 66% | 34% | 100% |
| 1990 | 62% | 38% | 100% |
| 1991 | 61% | 39% | 100% |
| 1992 | 62% | 38% | 100% |
| 1993 | 58% | 42% | 100% |
| 1994 | 52% | 48% | 100% |
| 1995* | 53% | 47% | 100% |
| 1996* | 53% | 47% | 100% |
| 1997* | 53% | 47% | 100% |
| 1998* | 52% | 48% | 100% |
| 1999* | 54% | 46% | 100% |

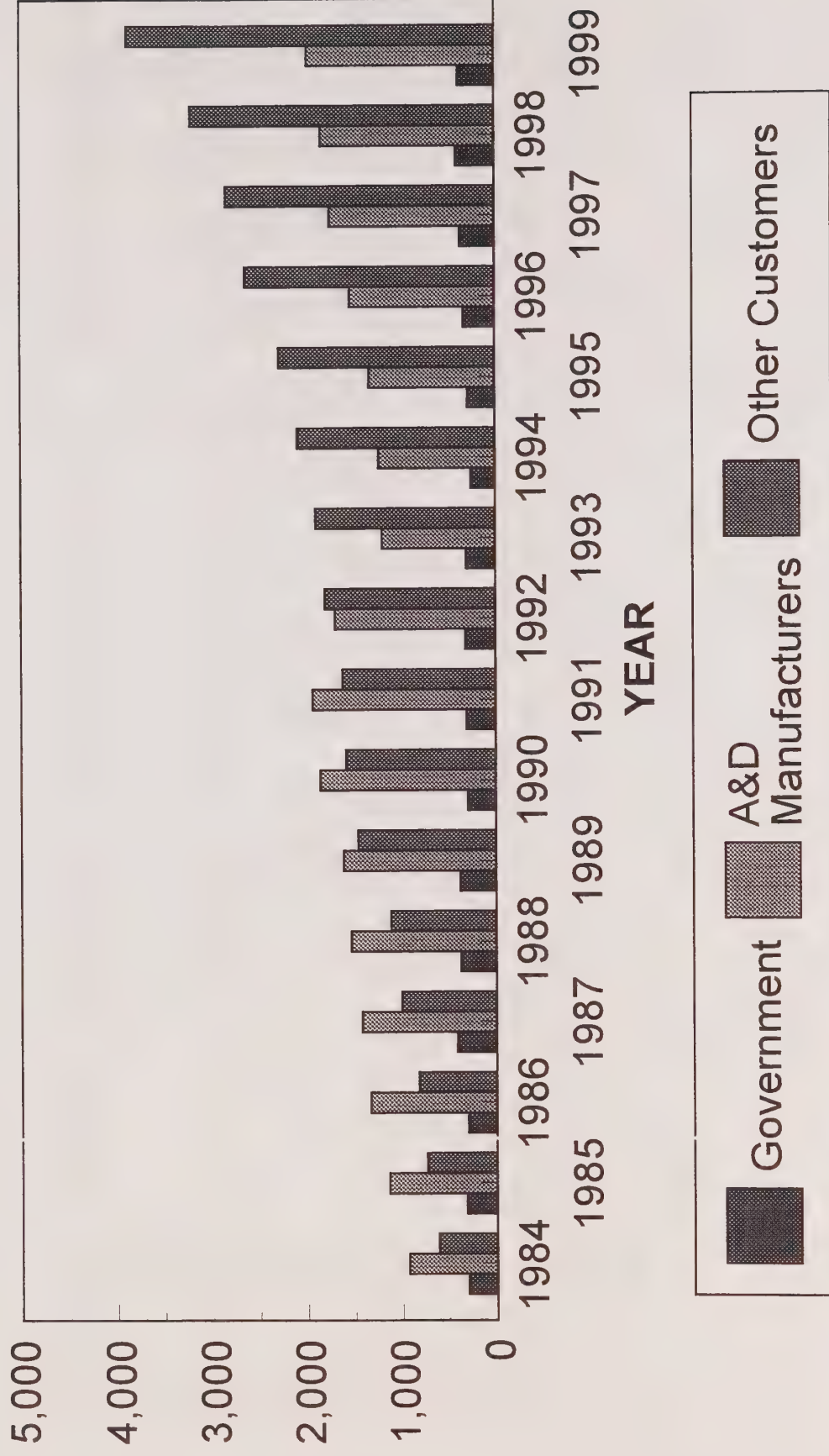
| Annual Growth Rates | | | |
|---------------------|------|---------------|-------|
| Fiscal Year | USA | Other Foreign | Total |
| 1985 | 19% | -7% | -11% |
| 1986 | 12% | 45% | -20% |
| 1987 | 15% | -1% | -10% |
| 1988 | 7% | 28% | -12% |
| 1989 | 14% | 35% | -21% |
| 1990 | 8% | 27% | -15% |
| 1991 | 3% | 8% | -5% |
| 1992 | -1% | -2% | 1% |
| 1993 | -11% | 3% | 5% |
| 1994 | 5% | 34% | -17% |
| 1995* | 9% | 6% | -8% |
| 1996* | 15% | 14% | -14% |
| 1997* | 10% | 11% | -11% |
| 1998* | 10% | 12% | -11% |
| 1999* | 15% | 7% | -11% |

| Compound Annual Average Rate of Growth | | | |
|--|-----|---------------|-------|
| Fiscal Year | USA | Other Foreign | Total |
| 1984-1991 | 11% | 18% | 13% |
| 1991-1993 | -6% | 1% | -3% |
| 1994-1999 | 12% | 10% | 11% |

Years with * are Forecast

SALES TO UNITED STATES

\$ Millions



| Sales to US (\$ Millions) | | | | |
|---------------------------|------------|------------------|--------------------|-------|
| Fiscal Year | Government | A&D Companies | Other Customers | Total |
| 1984 | 299 | 926 | 614 | 1839 |
| 1985 | 317 | 1134 | 734 | 2185 |
| 1986 | 303 | 1330 | 821 | 2454 |
| 1987 | 409 | 1418 | 1001 | 2828 |
| 1988 | 372 | 1532 | 1112 | 3016 |
| 1989 | 374 | 1616 | 1459 | 3449 |
| 1990 | 296 | 1857 | 1587 | 3740 |
| 1991 | 306 | 1937 | 1618 | 3861 |
| 1992 | 316 | 1702 | 1806 | 3824 |
| 1993 | 306 | 1201 | 1899 | 3406 |
| 1994 | 257 | 1231 | 2092 | 3580 |
| 1995* | 292 | 1331 | 2279 | 3902 |
| 1996* | 328 | 1531 | 2637 | 4496 |
| 1997* | 366 | 1748 | 2840 | 4954 |
| 1998* | 407 | 1836 | 3205 | 5448 |
| 1999* | 384 | 1981 | 3881 | 6246 |

| Percentage of Total Sales to U.S. | | | | |
|-----------------------------------|------------|------------------|--------------------|-------|
| Fiscal Year | Government | A&D Companies | Other Customers | Total |
| 1984 | 16% | 50% | 33% | 100% |
| 1985 | 15% | 52% | 34% | 100% |
| 1986 | 12% | 54% | 33% | 100% |
| 1987 | 14% | 50% | 35% | 100% |
| 1988 | 12% | 51% | 37% | 100% |
| 1989 | 11% | 47% | 42% | 100% |
| 1990 | 8% | 50% | 42% | 100% |
| 1991 | 8% | 50% | 42% | 100% |
| 1992 | 8% | 45% | 47% | 100% |
| 1993 | 9% | 35% | 56% | 100% |
| 1994 | 7% | 34% | 58% | 100% |
| 1995* | 7% | 34% | 58% | 100% |
| 1996* | 7% | 34% | 59% | 100% |
| 1997* | 7% | 35% | 57% | 100% |
| 1998* | 7% | 34% | 59% | 100% |
| 1999* | 6% | 32% | 62% | 100% |

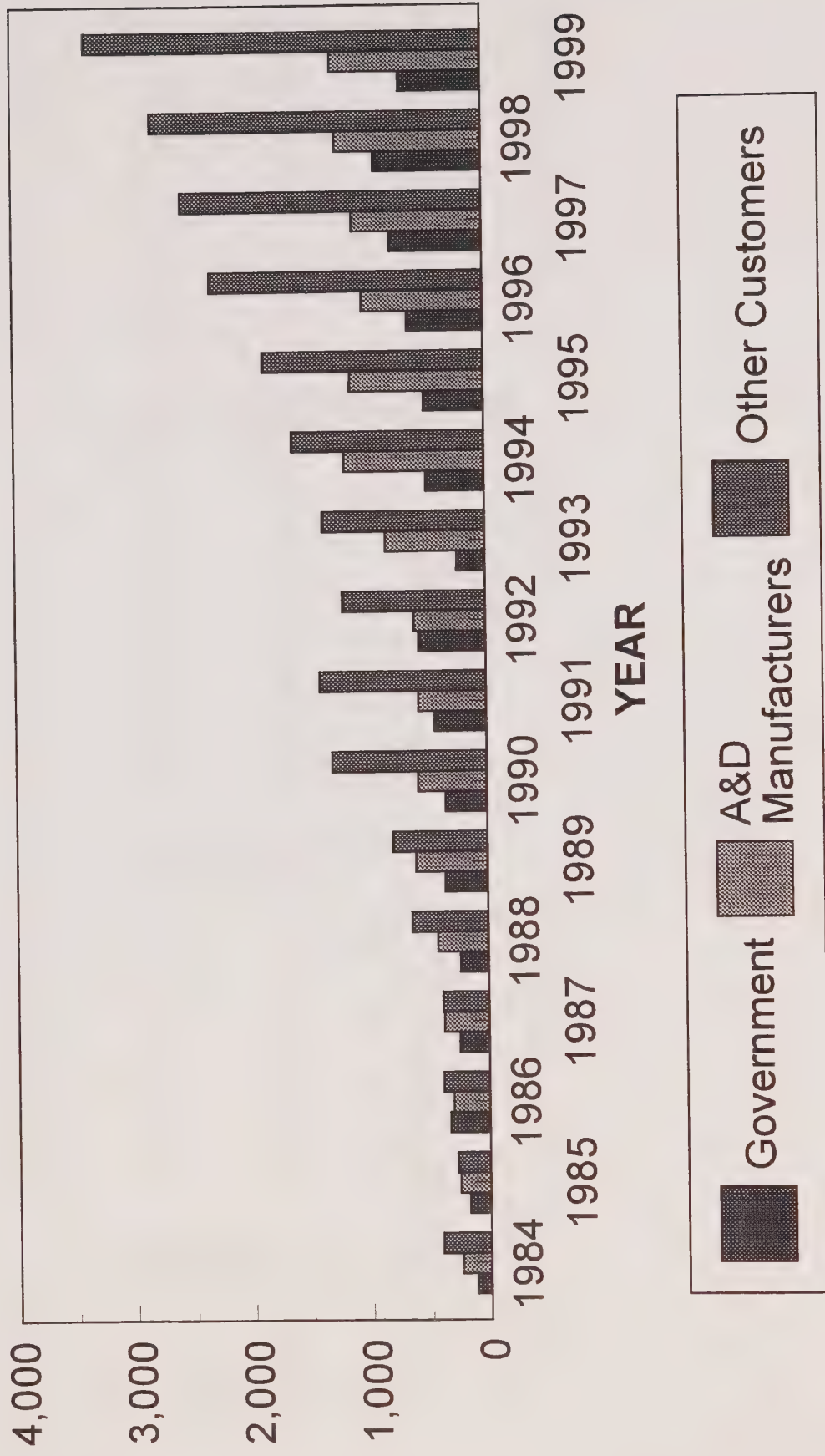
| Annual Growth Rates | | | | |
|---------------------|------------|------------------|--------------------|-------|
| Fiscal Year | Government | A&D Companies | Other Customers | Total |
| 1985 | 6% | 22% | 20% | 19% |
| 1986 | -4% | 17% | 12% | 12% |
| 1987 | 35% | 7% | 22% | 15% |
| 1988 | -9% | 8% | 11% | 7% |
| 1989 | 1% | 5% | 31% | 14% |
| 1990 | -21% | 15% | 9% | 8% |
| 1991 | 3% | 4% | 2% | 3% |
| 1992 | 3% | -12% | 12% | -1% |
| 1993 | -3% | -29% | 5% | -11% |
| 1994 | -16% | 2% | 10% | 5% |
| 1995* | 14% | 8% | 9% | 9% |
| 1996* | 12% | 15% | 16% | 15% |
| 1997* | 12% | 14% | 8% | 10% |
| 1998* | 11% | 5% | 13% | 10% |
| 1999* | -6% | 8% | 21% | 15% |

| Compound Annual Average Rate of Growth | | | | |
|--|------------|------------------|--------------------|-------|
| Fiscal Year | Government | A&D Companies | Other Customers | Total |
| 1984-1991 | 0% | 11% | 15% | 11% |
| 1991-1993 | 0% | -21% | 8% | -6% |
| 1994-1999 | 8% | 10% | 13% | 12% |

Years with * are Forecast

FOREIGN SALES (EXCLUDING U.S.)

\$ Millions



| Sales to Other Foreign Customers (excl. U.S.) (\$ Millions) | | | | |
|---|-------------|------------------|--------------------|-------|
| Fiscal Year | Governments | A&D Companies | Other Customers | Total |
| 1984 | 122 | 242 | 408 | 772 |
| 1985 | 176 | 261 | 280 | 718 |
| 1986 | 338 | 310 | 393 | 1041 |
| 1987 | 253 | 386 | 391 | 1031 |
| 1988 | 242 | 429 | 646 | 1316 |
| 1989 | 365 | 610 | 804 | 1779 |
| 1990 | 354 | 589 | 1310 | 2253 |
| 1991 | 445 | 577 | 1409 | 2431 |
| 1992 | 572 | 611 | 1211 | 2393 |
| 1993 | 245 | 847 | 1378 | 2470 |
| 1994 | 500 | 1188 | 1631 | 3319 |
| 1995* | 512 | 1134 | 1874 | 3520 |
| 1996* | 648 | 1028 | 2324 | 4000 |
| 1997* | 782 | 1106 | 2561 | 4449 |
| 1998* | 919 | 1247 | 2817 | 4984 |
| 1999* | 701 | 1276 | 3376 | 5354 |

| Percentage of Total Other Foreign Sales | | | | |
|---|-------------|------------------|--------------------|-------|
| Fiscal Year | Governments | A&D Companies | Other Customers | Total |
| 1984 | 16% | 31% | 53% | 100% |
| 1985 | 25% | 36% | 39% | 100% |
| 1986 | 32% | 30% | 38% | 100% |
| 1987 | 25% | 37% | 38% | 100% |
| 1988 | 18% | 33% | 49% | 100% |
| 1989 | 21% | 34% | 45% | 100% |
| 1990 | 16% | 26% | 58% | 100% |
| 1991 | 18% | 24% | 58% | 100% |
| 1992 | 24% | 26% | 51% | 100% |
| 1993 | 10% | 34% | 56% | 100% |
| 1994 | 15% | 36% | 49% | 100% |
| 1995* | 15% | 32% | 53% | 100% |
| 1996* | 16% | 26% | 58% | 100% |
| 1997* | 18% | 25% | 58% | 100% |
| 1998* | 18% | 25% | 57% | 100% |
| 1999* | 13% | 24% | 63% | 100% |

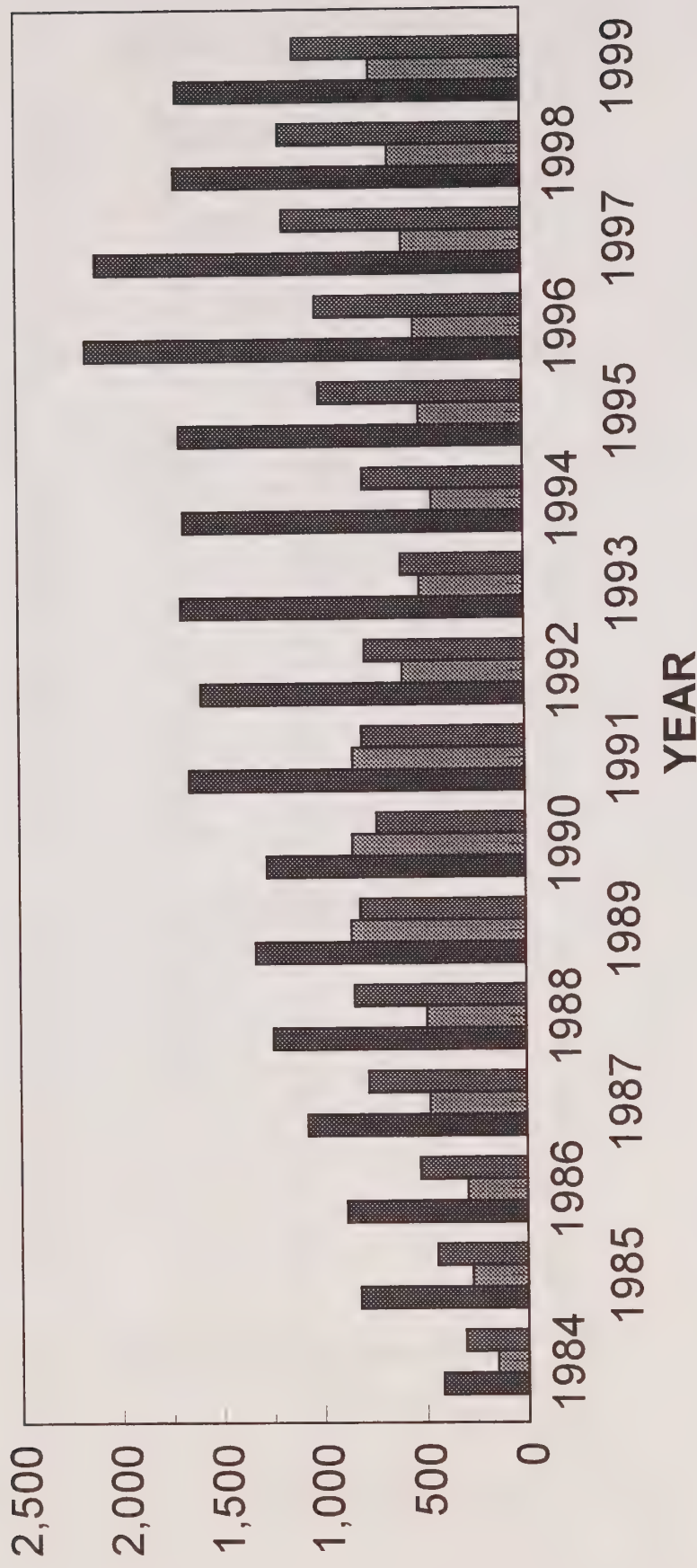
| Annual Growth Rates | | | | |
|---------------------|-------------|------------------|--------------------|-------|
| Fiscal Year | Governments | A&D Companies | Other Customers | Total |
| 1985 | 44% | 8% | -31% | -7% |
| 1986 | 92% | 19% | 40% | 45% |
| 1987 | -25% | 25% | -1% | -1% |
| 1988 | -4% | 11% | 65% | 28% |
| 1989 | 51% | 42% | 24% | 35% |
| 1990 | -3% | -3% | 63% | 27% |
| 1991 | 26% | -2% | 8% | 8% |
| 1992 | 29% | 6% | -14% | -2% |
| 1993 | -57% | 39% | 14% | 3% |
| 1994 | 104% | 40% | 18% | 34% |
| 1995* | 2% | -5% | 15% | 6% |
| 1996* | 27% | -9% | 24% | 14% |
| 1997* | 21% | 8% | 10% | 11% |
| 1998* | 18% | 13% | 10% | 12% |
| 1999* | -24% | 2% | 20% | 7% |

| Compound Annual Average Rate of Growth | | | | |
|--|-------------|------------------|--------------------|-------|
| Fiscal Year | Governments | A&D Companies | Other Customers | Total |
| 1984-1991 | 20% | 13% | 19% | 18% |
| 1991-1993 | -26% | 21% | -1% | 1% |
| 1994-1999 | 7% | 1% | 16% | 10% |

Years with * are Forecast

DOMESTIC SALES

\$ Millions



| Sales to Domestic Customers (\$ Millions) | | | | |
|--|------------|-----------|-----------|-------|
| Fiscal Year | Government | A&D | Other | Total |
| | | Companies | Customers | |
| 1984 | 417 | 150 | 305 | 872 |
| 1985 | 820 | 272 | 443 | 1535 |
| 1986 | 884 | 292 | 525 | 1701 |
| 1987 | 1074 | 475 | 776 | 2325 |
| 1988 | 1244 | 486 | 840 | 2570 |
| 1989 | 1331 | 857 | 812 | 3000 |
| 1990 | 1272 | 851 | 729 | 2852 |
| 1991 | 1656 | 846 | 800 | 3302 |
| 1992 | 1595 | 600 | 783 | 2978 |
| 1993 | 1693 | 512 | 602 | 2807 |
| 1994 | 1680 | 450 | 790 | 2920 |
| 1995* | 1695 | 509 | 1000 | 3204 |
| 1996* | 2157 | 534 | 1013 | 3704 |
| 1997* | 2106 | 587 | 1176 | 3869 |
| 1998* | 1714 | 654 | 1193 | 3561 |
| 1999* | 1702 | 743 | 1117 | 3562 |

| Percentage of Total Canadian Sales | | | | |
|------------------------------------|------------|-----------|-----------|-------|
| Fiscal Year | Government | A&D | Other | Total |
| | | Companies | Customers | |
| 1984 | 48% | 17% | 35% | 100% |
| 1985 | 53% | 18% | 29% | 100% |
| 1986 | 52% | 17% | 31% | 100% |
| 1987 | 46% | 20% | 33% | 100% |
| 1988 | 48% | 19% | 33% | 100% |
| 1989 | 44% | 29% | 27% | 100% |
| 1990 | 45% | 30% | 26% | 100% |
| 1991 | 50% | 26% | 24% | 100% |
| 1992 | 54% | 20% | 26% | 100% |
| 1993 | 60% | 18% | 21% | 100% |
| 1994 | 58% | 15% | 27% | 100% |
| 1995* | 53% | 16% | 31% | 100% |
| 1996* | 58% | 14% | 27% | 100% |
| 1997* | 54% | 15% | 30% | 100% |
| 1998* | 48% | 18% | 34% | 100% |
| 1999* | 48% | 21% | 31% | 100% |

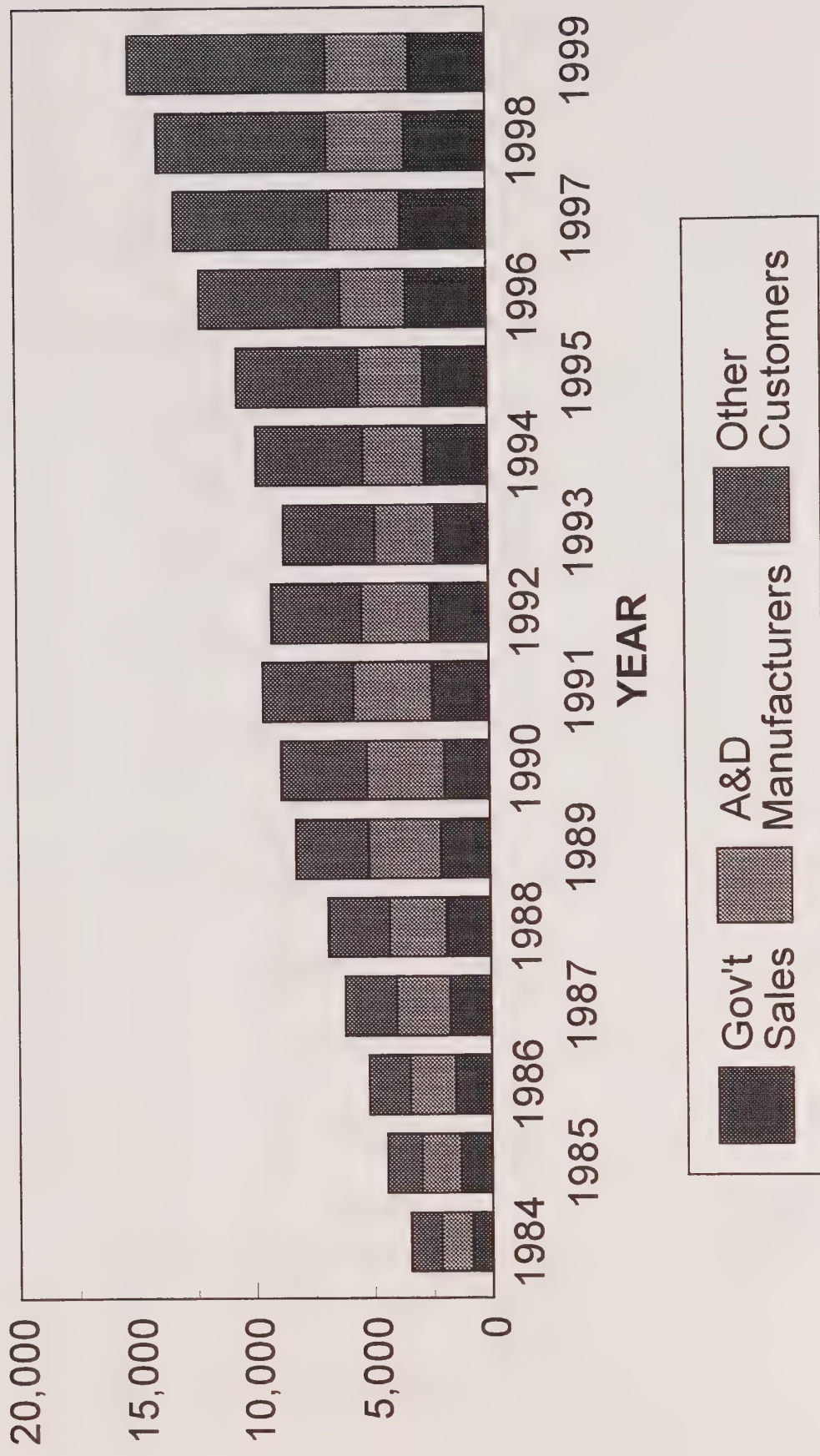
| Annual Growth Rates | | | | |
|---------------------|------------|-----------|-----------|-------|
| Fiscal Year | Government | A&D | Other | Total |
| | | Companies | Customers | |
| 1985 | 97% | 81% | 45% | 76% |
| 1986 | 8% | 7% | 19% | 11% |
| 1987 | 21% | 63% | 48% | 37% |
| 1988 | 16% | 2% | 8% | 11% |
| 1989 | 7% | 76% | -3% | 17% |
| 1990 | -4% | -1% | -10% | -5% |
| 1991 | 30% | -1% | 10% | 16% |
| 1992 | -4% | -29% | -2% | -10% |
| 1993 | 6% | -15% | -23% | -6% |
| 1994 | -1% | -12% | 31% | 4% |
| 1995* | 1% | 13% | 27% | 10% |
| 1996* | 27% | 5% | 1% | 16% |
| 1997* | -2% | 10% | 16% | 4% |
| 1998* | -19% | 11% | 1% | -8% |
| 1999* | -1% | 14% | -6% | 0% |

| Compound Annual Average Rate of Growth | | | | |
|--|------------|-----------|-----------|-------|
| Fiscal Year | Government | A&D | Other | Total |
| | | Companies | Customers | |
| 1984-1991 | 22% | 28% | 15% | 21% |
| 1991-1993 | 1% | -22% | -13% | -8% |
| 1994-1999 | 0% | 11% | 7% | 4% |

Years with * are Forecast

SALES BY CUSTOMER CATEGORY

\$ MILLIONS



| Total Sales by Customer (\$ Millions) | | | | |
|--|------------|------------------|--------------------|-------|
| Fiscal Year | Government | A&D Companies | Other Customers | Total |
| 1984 | 837 | 1318 | 1327 | 3482 |
| 1985 | 1314 | 1666 | 1457 | 4437 |
| 1986 | 1526 | 1933 | 1739 | 5198 |
| 1987 | 1736 | 2279 | 2168 | 6183 |
| 1988 | 1857 | 2447 | 2598 | 6902 |
| 1989 | 2071 | 3083 | 3076 | 8230 |
| 1990 | 1921 | 3297 | 3626 | 8844 |
| 1991 | 2407 | 3359 | 3826 | 9592 |
| 1992 | 2482 | 2914 | 3799 | 9195 |
| 1993 | 2244 | 2559 | 3879 | 8682 |
| 1994 | 2671 | 2635 | 4514 | 9820 |
| 1995* | 2731 | 2741 | 5154 | 10626 |
| 1996* | 3437 | 2788 | 5975 | 12200 |
| 1997* | 3634 | 3062 | 6577 | 13273 |
| 1998* | 3461 | 3316 | 7215 | 13992 |
| 1999* | 3232 | 3556 | 8375 | 15163 |

| Percentage of Sales to Customer | | | | |
|---------------------------------|------------|------------------|--------------------|-------|
| Fiscal Year | Government | A&D Companies | Other Customers | Total |
| 1984 | 24% | 38% | 38% | 100% |
| 1985 | 30% | 38% | 33% | 100% |
| 1986 | 29% | 37% | 33% | 100% |
| 1987 | 28% | 37% | 35% | 100% |
| 1988 | 27% | 35% | 38% | 100% |
| 1989 | 25% | 37% | 37% | 100% |
| 1990 | 22% | 37% | 41% | 100% |
| 1991 | 25% | 35% | 40% | 100% |
| 1992 | 27% | 32% | 41% | 100% |
| 1993 | 26% | 29% | 45% | 100% |
| 1994 | 27% | 27% | 46% | 100% |
| 1995* | 26% | 26% | 49% | 100% |
| 1996* | 28% | 23% | 49% | 100% |
| 1997* | 27% | 23% | 50% | 100% |
| 1998* | 25% | 24% | 52% | 100% |
| 1999* | 21% | 23% | 55% | 100% |

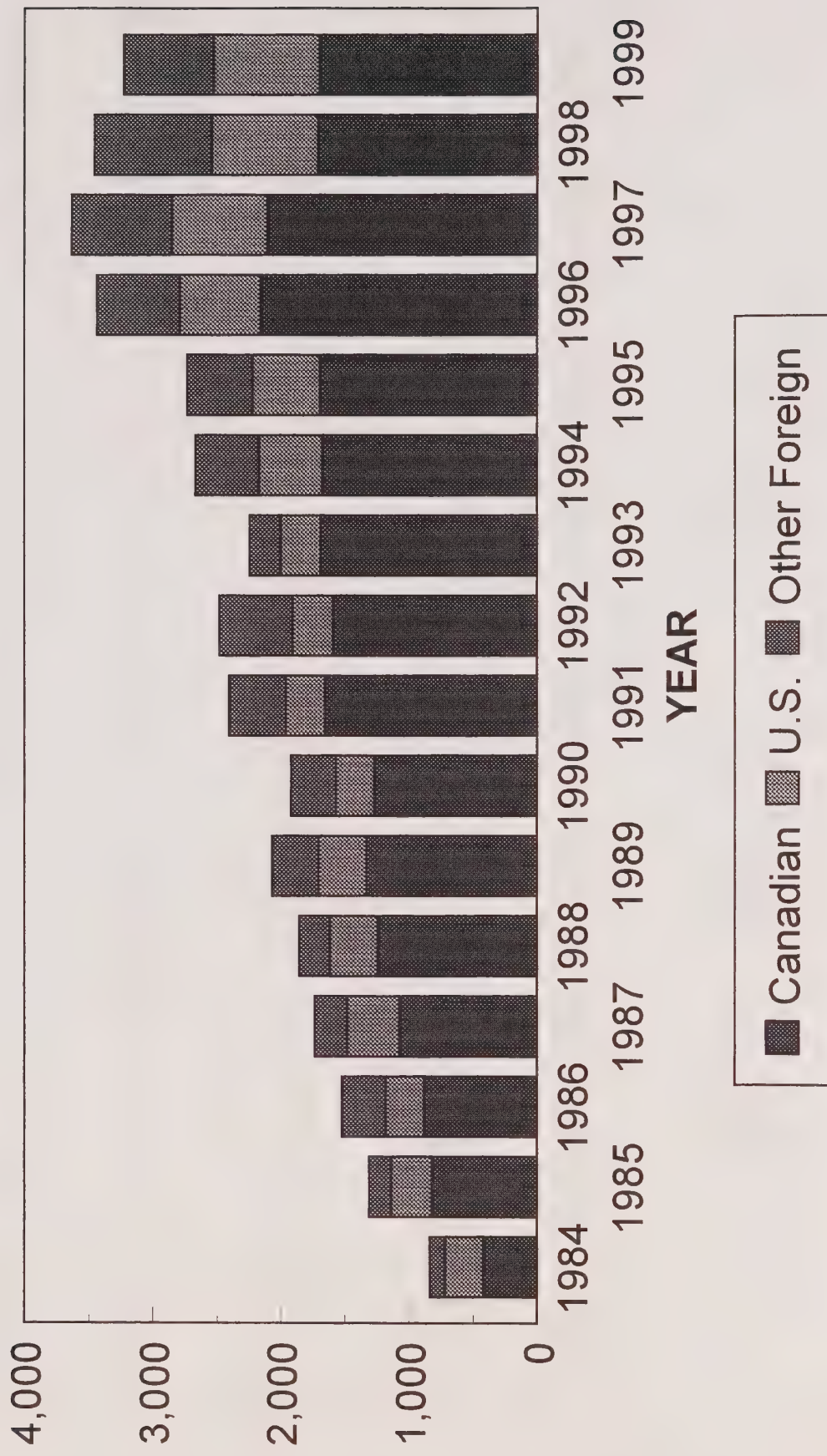
| Annual Growth Rates | | | | |
|---------------------|------------|------------------|--------------------|-------|
| Fiscal Year | Government | A&D Companies | Other Customers | Total |
| 1985 | 57% | 26% | 10% | 27% |
| 1986 | 16% | 16% | 19% | 17% |
| 1987 | 14% | 18% | 25% | 19% |
| 1988 | 7% | 7% | 20% | 12% |
| 1989 | 12% | 26% | 18% | 19% |
| 1990 | -7% | 7% | 18% | 7% |
| 1991 | 25% | 2% | 6% | 8% |
| 1992 | 3% | -13% | -1% | -4% |
| 1993 | -10% | -12% | 2% | -6% |
| 1994 | 19% | 3% | 16% | 13% |
| 1995* | 2% | 4% | 14% | 8% |
| 1996* | 26% | 2% | 16% | 15% |
| 1997* | 6% | 10% | 10% | 9% |
| 1998* | -5% | 8% | 10% | 5% |
| 1999* | -7% | 7% | 16% | 8% |

| Compound Annual Growth Rates % | | | | |
|--------------------------------|------------|------------------|--------------------|-------|
| Fiscal Year | Government | A&D Companies | Other Customers | Total |
| 1984-1991 | 16% | 14% | 16% | 16% |
| 1991-1993 | -3% | -13% | 1% | -5% |
| 1994-1999 | 4% | 6% | 13% | 9% |

| Years with * are Forecast | | | | |
|---------------------------|--|--|--|--|
|---------------------------|--|--|--|--|

SALES TO GOVERNMENTS

\$ MILLIONS



| Sales To Governments (\$ Millions) | | | | |
|------------------------------------|----------|------|---------------|-------|
| Fiscal Year | Canadian | U.S. | Other Foreign | Total |
| 1984 | 417 | 299 | 122 | 838 |
| 1985 | 820 | 317 | 176 | 1313 |
| 1986 | 884 | 303 | 338 | 1525 |
| 1987 | 1074 | 409 | 253 | 1736 |
| 1988 | 1244 | 372 | 242 | 1858 |
| 1989 | 1331 | 374 | 365 | 2070 |
| 1990 | 1272 | 296 | 354 | 1922 |
| 1991 | 1656 | 306 | 445 | 2407 |
| 1992 | 1595 | 316 | 572 | 2483 |
| 1993 | 1693 | 306 | 245 | 2244 |
| 1994 | 1680 | 257 | 500 | 2437 |
| 1995* | 1695 | 292 | 512 | 2499 |
| 1996* | 2157 | 328 | 648 | 3133 |
| 1997* | 2106 | 366 | 782 | 3254 |
| 1998* | 1714 | 407 | 919 | 3040 |
| 1999* | 1702 | 384 | 701 | 2787 |

| Percentage of Total Sales | | | | |
|---------------------------|----------|------|---------------|-------|
| Fiscal Year | Canadian | U.S. | Other Foreign | Total |
| 1984 | 50% | 36% | 15% | 100% |
| 1985 | 62% | 24% | 13% | 100% |
| 1986 | 58% | 20% | 22% | 100% |
| 1987 | 62% | 24% | 15% | 100% |
| 1988 | 67% | 20% | 13% | 100% |
| 1989 | 64% | 18% | 18% | 100% |
| 1990 | 66% | 15% | 18% | 100% |
| 1991 | 69% | 13% | 18% | 100% |
| 1992 | 64% | 13% | 23% | 100% |
| 1993 | 75% | 14% | 11% | 100% |
| 1994 | 69% | 11% | 21% | 100% |
| 1995* | 68% | 12% | 20% | 100% |
| 1996* | 69% | 10% | 21% | 100% |
| 1997* | 65% | 11% | 24% | 100% |
| 1998* | 56% | 13% | 30% | 100% |
| 1999* | 61% | 14% | 25% | 100% |

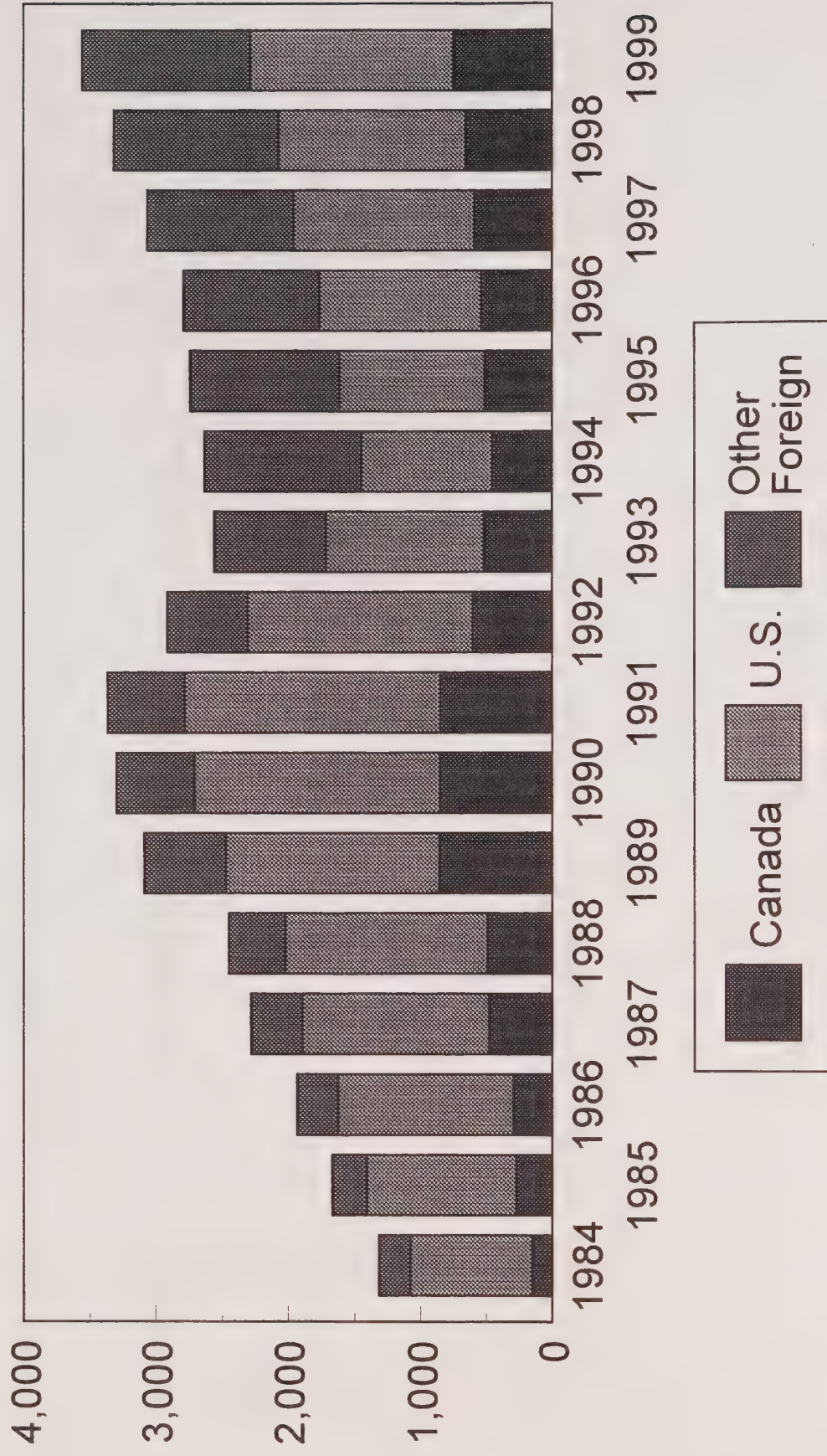
| Annual Growth Rates | | | | |
|---------------------|----------|------|---------------|-------|
| Fiscal Year | Canadian | U.S. | Other Foreign | Total |
| 1985 | 97% | 6% | 44% | 57% |
| 1986 | 8% | -4% | 92% | 16% |
| 1987 | 21% | 35% | -25% | 14% |
| 1988 | 16% | -9% | -4% | 7% |
| 1989 | 7% | 1% | 51% | 11% |
| 1990 | -4% | -21% | -3% | -7% |
| 1991 | 30% | 3% | 26% | 25% |
| 1992 | -4% | 3% | 29% | 3% |
| 1993 | 6% | -3% | -57% | -10% |
| 1994 | -1% | -16% | 104% | 9% |
| 1995* | 1% | 14% | 2% | 3% |
| 1996* | 27% | 12% | 27% | 25% |
| 1997* | -2% | 12% | 21% | 4% |
| 1998* | -19% | 11% | 18% | -7% |
| 1999* | -1% | -6% | -24% | -8% |

| Compound Average Annual Rate of Growth | | | | |
|--|----------|------|---------------|-------|
| Fiscal Year | Canadian | U.S. | Other Foreign | Total |
| 1984-1991 | 22% | 0% | 20% | 16% |
| 1991-1993 | 1% | 0% | -26% | -3% |
| 1994-1999 | 0% | 8% | 7% | 3% |

Years with * are Forecast

SALES TO AEROSPACE & DEFENCE MANUFACTURERS

\$MILLIONS



| Sales to Aerospace & Defence Manufacturers (\$ Millions) | | | | |
|--|----------|------|------------------------------|-------|
| Fiscal Year | Canadian | U.S. | Other Foreign excl. U.S.A | TOTAL |
| 1984 | 150 | 926 | 242 | 1318 |
| 1985 | 272 | 1134 | 261 | 1667 |
| 1986 | 292 | 1330 | 310 | 1932 |
| 1987 | 475 | 1418 | 386 | 2279 |
| 1988 | 486 | 1532 | 429 | 2447 |
| 1989 | 857 | 1616 | 610 | 3083 |
| 1990 | 851 | 1857 | 589 | 3297 |
| 1991 | 846 | 1937 | 577 | 3360 |
| 1992 | 600 | 1702 | 611 | 2913 |
| 1993 | 512 | 1201 | 847 | 2560 |
| 1994 | 450 | 997 | 1188 | 2635 |
| 1995* | 509 | 1098 | 1134 | 2741 |
| 1996* | 534 | 1227 | 1028 | 2789 |
| 1997* | 587 | 1368 | 1106 | 3061 |
| 1998* | 654 | 1415 | 1247 | 3316 |
| 1999* | 743 | 1537 | 1276 | 3556 |

| Percentage of Total A&D Sales | | | | |
|-------------------------------|----------|------|------------------------------|-------|
| Fiscal Year | Canadian | U.S. | Other Foreign excl. U.S.A | TOTAL |
| 1984 | 11% | 70% | 18% | 100% |
| 1985 | 16% | 68% | 16% | 100% |
| 1986 | 15% | 69% | 16% | 100% |
| 1987 | 21% | 62% | 17% | 100% |
| 1988 | 20% | 63% | 18% | 100% |
| 1989 | 28% | 52% | 20% | 100% |
| 1990 | 26% | 56% | 18% | 100% |
| 1991 | 25% | 58% | 17% | 100% |
| 1992 | 21% | 58% | 21% | 100% |
| 1993 | 20% | 47% | 33% | 100% |
| 1994 | 17% | 38% | 45% | 100% |
| 1995* | 19% | 40% | 41% | 100% |
| 1996* | 19% | 44% | 37% | 100% |
| 1997* | 19% | 45% | 36% | 100% |
| 1998* | 20% | 43% | 38% | 100% |
| 1999* | 21% | 43% | 36% | 100% |

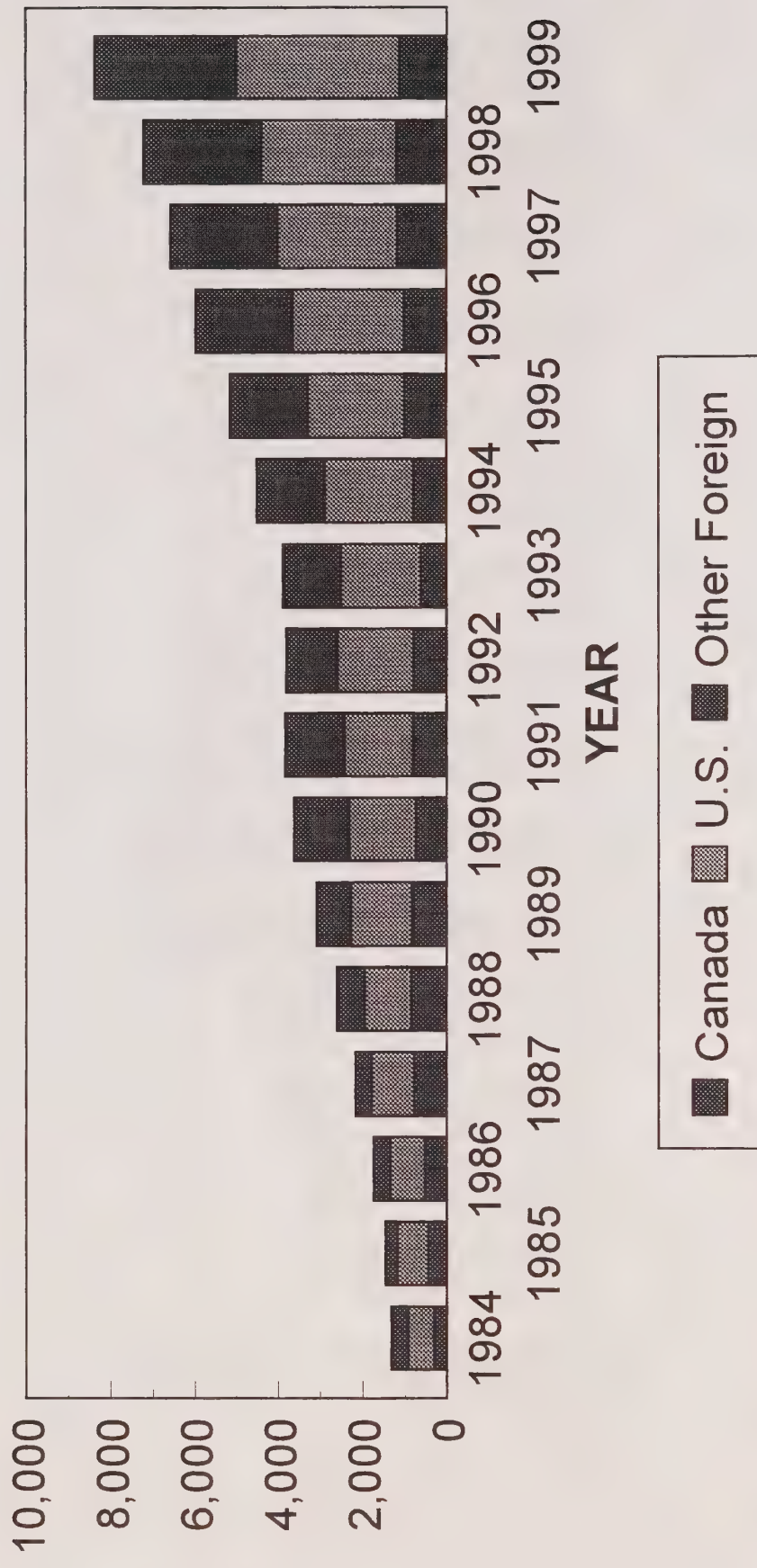
| Annual Growth Rates | | | | |
|---------------------|----------|------|------------------------------|-------|
| Fiscal Year | Canadian | U.S. | Other Foreign excl. U.S.A | TOTAL |
| 1985 | 81% | 22% | 8% | 26% |
| 1986 | 7% | 17% | 19% | 16% |
| 1987 | 63% | 7% | 25% | 18% |
| 1988 | 2% | 8% | 11% | 7% |
| 1989 | 76% | 5% | 42% | 26% |
| 1990 | -1% | 15% | -3% | 7% |
| 1991 | -1% | 4% | -2% | 2% |
| 1992 | -29% | -12% | 6% | -13% |
| 1993 | -15% | -29% | 39% | -12% |
| 1994 | -12% | -17% | 40% | 3% |
| 1995* | 13% | 10% | -5% | 4% |
| 1996* | 5% | 12% | -9% | 2% |
| 1997* | 10% | 11% | 8% | 10% |
| 1998* | 11% | 3% | 13% | 8% |
| 1999* | 14% | 9% | 2% | 7% |

| Compound Annual Average Rate of Growth | | | | |
|--|----------|------|------------------------------|-------|
| Fiscal Year | Canadian | U.S. | Other Foreign excl. U.S.A | TOTAL |
| 1984-1991 | 28% | 11% | 13% | 14% |
| 1991-1993 | -22% | -21% | 21% | -13% |
| 1994-1999 | 11% | 9% | 1% | 6% |

Years with * are Forecast

SALES TO OTHER CUSTOMERS*

\$ MILLIONS



*Sales Other Than to Governments or
Aerospace and Defence Manufacturers
(Mainly Airlines)

| Sales to Other Customers (\$ Millions) | | | | |
|---|----------|------|---------|-------|
| (excluding governments & Aerospace & Defence manufacturers) | | | | |
| Fiscal Year | Canadian | U.S. | Foreign | Total |
| 1984 | 305 | 614 | 408 | 1327 |
| 1985 | 443 | 734 | 280 | 1457 |
| 1986 | 525 | 821 | 393 | 1739 |
| 1987 | 776 | 1001 | 391 | 2168 |
| 1988 | 840 | 1112 | 646 | 2598 |
| 1989 | 812 | 1459 | 804 | 3075 |
| 1990 | 729 | 1587 | 1310 | 3626 |
| 1991 | 800 | 1618 | 1409 | 3827 |
| 1992 | 783 | 1806 | 1211 | 3800 |
| 1993 | 602 | 1899 | 1378 | 3879 |
| 1994 | 790 | 2092 | 1631 | 4513 |
| 1995* | 1000 | 2279 | 1874 | 5153 |
| 1996* | 1013 | 2637 | 2324 | 5974 |
| 1997* | 1176 | 2840 | 2561 | 6577 |
| 1998* | 1193 | 3205 | 2817 | 7215 |
| 1999* | 1117 | 3881 | 3376 | 8374 |

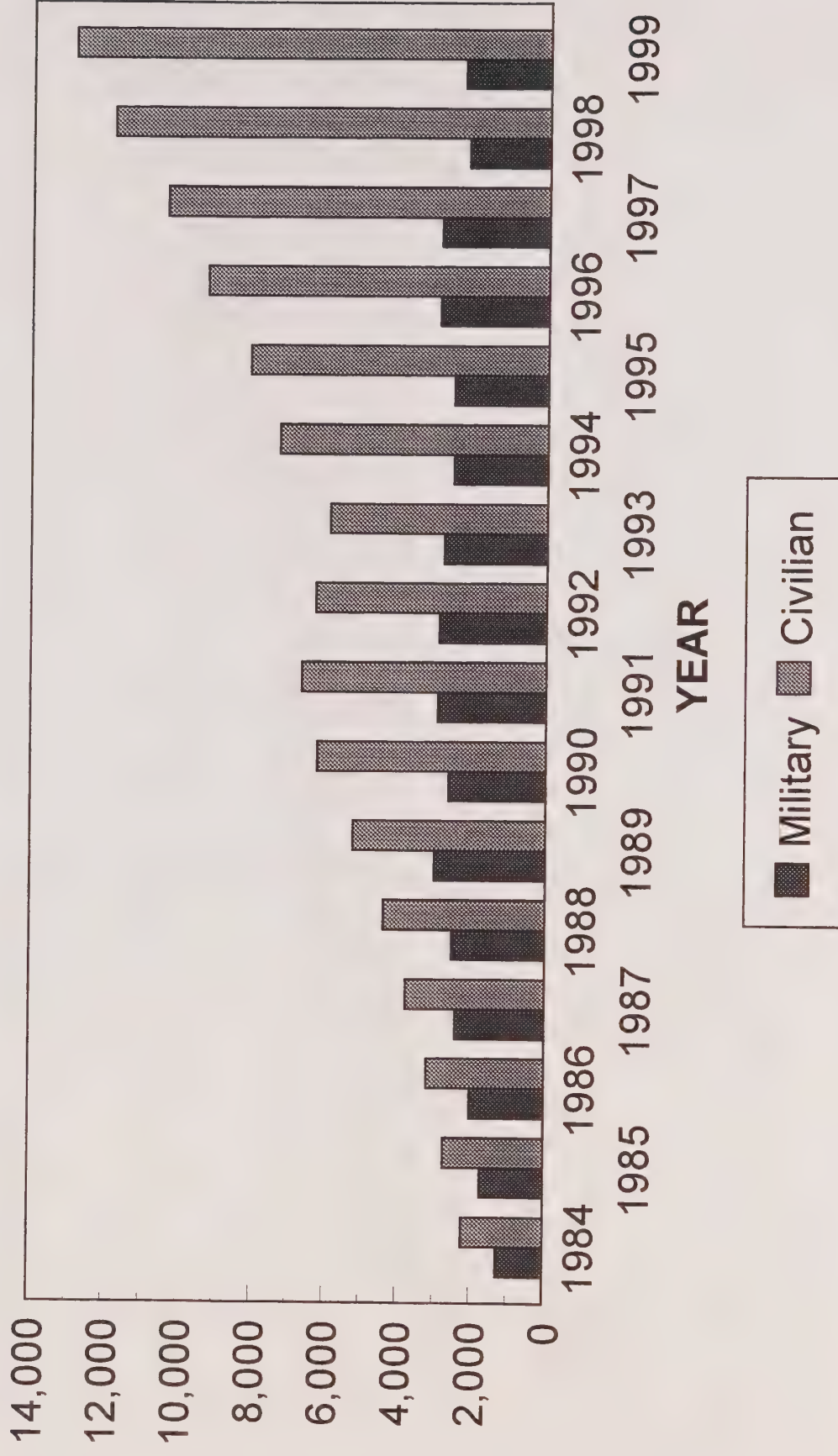
| Percentage of Total Other Sales | | | | |
|---------------------------------|----------|------|---------|-------|
| Fiscal Year | Canadian | U.S. | Foreign | Total |
| 1984 | 23% | 46% | 31% | 100% |
| 1985 | 30% | 50% | 19% | 100% |
| 1986 | 30% | 47% | 23% | 100% |
| 1987 | 36% | 46% | 18% | 100% |
| 1988 | 32% | 43% | 25% | 100% |
| 1989 | 26% | 47% | 26% | 100% |
| 1990 | 20% | 44% | 36% | 100% |
| 1991 | 21% | 42% | 37% | 100% |
| 1992 | 21% | 48% | 32% | 100% |
| 1993 | 16% | 49% | 36% | 100% |
| 1994 | 18% | 46% | 36% | 100% |
| 1995* | 19% | 44% | 36% | 100% |
| 1996* | 17% | 44% | 39% | 100% |
| 1997* | 18% | 43% | 39% | 100% |
| 1998* | 17% | 44% | 39% | 100% |
| 1999* | 13% | 46% | 40% | 100% |

| Annual Growth Rates | | | | |
|---------------------|----------|------|---------|-------|
| Fiscal Year | Canadian | U.S. | Foreign | Total |
| 1985 | 45% | 20% | -31% | 10% |
| 1986 | 19% | 12% | 40% | 19% |
| 1987 | 48% | 22% | -1% | 25% |
| 1988 | 8% | 11% | 65% | 20% |
| 1989 | -3% | 31% | 24% | 18% |
| 1990 | -10% | 9% | 63% | 18% |
| 1991 | 10% | 2% | 8% | 6% |
| 1992 | -2% | 12% | -14% | -1% |
| 1993 | -23% | 5% | 14% | 2% |
| 1994 | 31% | 10% | 18% | 16% |
| 1995* | 27% | 9% | 15% | 14% |
| 1996* | 1% | 16% | 24% | 16% |
| 1997* | 16% | 8% | 10% | 10% |
| 1998* | 1% | 13% | 10% | 10% |
| 1999* | -6% | 21% | 20% | 16% |

| Compound Annual Average Rate of Growth | | | | |
|--|----------|------|---------|-------|
| Fiscal Year | Canadian | U.S. | Foreign | Total |
| 1984-1991 | 15% | 15% | 19% | 16% |
| 1991-1993 | -13% | 8% | -1% | 1% |
| 1994-1999 | 7% | 13% | 16% | 13% |

Years with * are Forecast

SALES TO MILITARY AND CIVILIAN MARKETS \$ MILLIONS



| Sales to Military and Civilian Markets (\$ Millions) | | | |
|---|----------|----------|-------|
| Fiscal Year | Military | Civilian | Total |
| 1984 | 1263 | 2219 | 3482 |
| 1985 | 1717 | 2720 | 4437 |
| 1986 | 2015 | 3182 | 5197 |
| 1987 | 2415 | 3769 | 6184 |
| 1988 | 2513 | 4389 | 6902 |
| 1989 | 3001 | 5229 | 8230 |
| 1990 | 2629 | 6215 | 8844 |
| 1991 | 2937 | 6656 | 9593 |
| 1992 | 2907 | 6288 | 9195 |
| 1993 | 2790 | 5893 | 8683 |
| 1994 | 2543 | 7277 | 9820 |
| 1995* | 2539 | 8086 | 10625 |
| 1996* | 2941 | 9258 | 12199 |
| 1997* | 2911 | 10362 | 13273 |
| 1998* | 2184 | 11808 | 13992 |
| 1999* | 2297 | 12866 | 15163 |

| Percentage of Total Sales | | | |
|---------------------------|----------|----------|-------|
| Fiscal Year | Military | Civilian | Total |
| 1984 | 36% | 64% | 100% |
| 1985 | 39% | 61% | 100% |
| 1986 | 39% | 61% | 100% |
| 1987 | 39% | 61% | 100% |
| 1988 | 36% | 64% | 100% |
| 1989 | 36% | 64% | 100% |
| 1990 | 30% | 70% | 100% |
| 1991 | 31% | 69% | 100% |
| 1992 | 32% | 68% | 100% |
| 1993 | 32% | 68% | 100% |
| 1994 | 26% | 74% | 100% |
| 1995* | 24% | 76% | 100% |
| 1996* | 24% | 76% | 100% |
| 1997* | 22% | 78% | 100% |
| 1998* | 16% | 84% | 100% |
| 1999* | 15% | 85% | 100% |

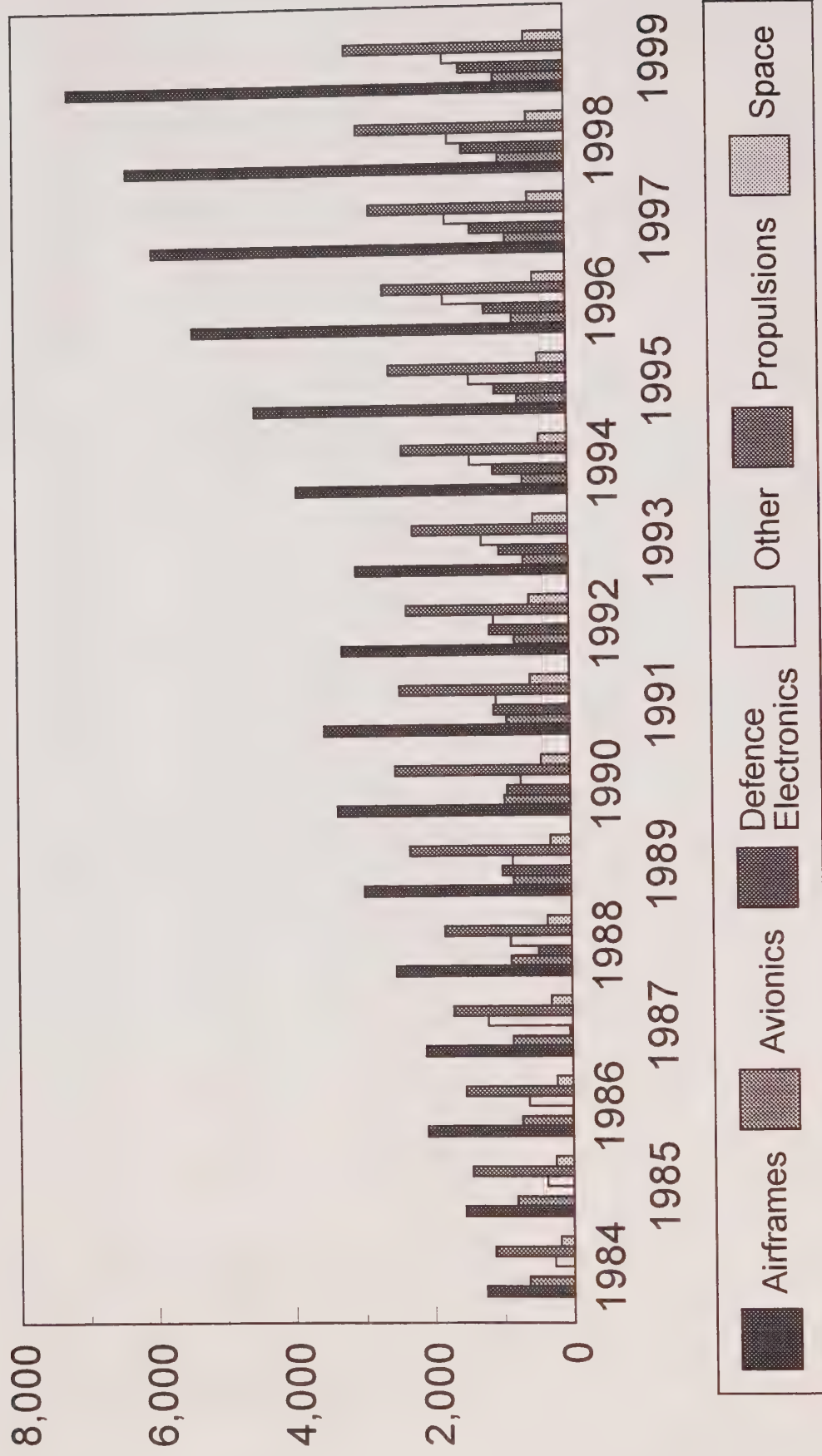
| Annual Growth Rates | | | |
|---------------------|----------|----------|-------|
| Fiscal Year | Military | Civilian | Total |
| 1985 | 36% | 23% | 27% |
| 1986 | 17% | 17% | 17% |
| 1987 | 20% | 18% | 19% |
| 1988 | 4% | 16% | 12% |
| 1989 | 19% | 19% | 19% |
| 1990 | -12% | 19% | 7% |
| 1991 | 12% | 7% | 8% |
| 1992 | -1% | -6% | -4% |
| 1993 | -4% | -6% | -6% |
| 1994 | -9% | 23% | 13% |
| 1995* | 0% | 11% | 8% |
| 1996* | 16% | 14% | 15% |
| 1997* | -1% | 12% | 9% |
| 1998* | -25% | 14% | 5% |
| 1999* | 5% | 9% | 8% |

| Compound Annual Average Rate of Growth | | | |
|--|----------|----------|-------|
| Fiscal Year | Military | Civilian | Total |
| 1984-1991 | 13% | 17% | 16% |
| 1991-1993 | -3% | -6% | -5% |
| 1994-1999 | -2% | 12% | 9% |

Years with * are Forecast

SALES BY SUB-SECTOR

\$ Millions



Sales by Sub-Sector (\$ Millions)

| Fiscal Year | Airframes | Avionics | Defence Electronics | Other | Propulsion | Space | Total |
|-------------|-----------|----------|------------------------|-------|------------|-------|-------|
| 1984 | 1260 | 638 | 0 | 269 | 1129 | 186 | 3482 |
| 1985 | 1548 | 816 | 0 | 376 | 1450 | 248 | 4438 |
| 1986 | 2088 | 729 | 1 | 629 | 1526 | 225 | 5198 |
| 1987 | 2106 | 848 | 39 | 1202 | 1697 | 292 | 6184 |
| 1988 | 2528 | 866 | 476 | 873 | 1814 | 344 | 6902 |
| 1989 | 2971 | 830 | 983 | 839 | 2319 | 290 | 8230 |
| 1990 | 3347 | 944 | 906 | 715 | 2518 | 414 | 8844 |
| 1991 | 3531 | 910 | 1086 | 1058 | 2446 | 561 | 9593 |
| 1992 | 3272 | 791 | 1143 | 1081 | 2339 | 570 | 9196 |
| 1993 | 3058 | 647 | 992 | 1247 | 2242 | 497 | 8683 |
| 1994 | 3901 | 652 | 1067 | 1401 | 2392 | 407 | 9820 |
| 1995* | 4508 | 710 | 1031 | 1401 | 2559 | 416 | 10626 |
| 1996* | 5397 | 771 | 1170 | 1761 | 2635 | 465 | 12200 |
| 1997* | 5976 | 859 | 1363 | 1720 | 2825 | 529 | 13273 |
| 1998* | 6346 | 955 | 1474 | 1678 | 2999 | 540 | 13992 |
| 1999* | 7191 | 1009 | 1506 | 1735 | 3156 | 565 | 15163 |

Percentage of Total Sales

| Fiscal Year | Airframes | Avionics | Defence Electronics | Other | Propulsion | Space | Total |
|-------------|-----------|----------|------------------------|-------|------------|-------|-------|
| 1984 | 36% | 18% | 0% | 8% | 32% | 5% | 100% |
| 1985 | 35% | 18% | 0% | 8% | 33% | 6% | 100% |
| 1986 | 40% | 14% | 0% | 12% | 29% | 4% | 100% |
| 1987 | 34% | 14% | 1% | 19% | 27% | 5% | 100% |
| 1988 | 37% | 13% | 7% | 13% | 26% | 5% | 100% |
| 1989 | 36% | 10% | 12% | 10% | 28% | 4% | 100% |
| 1990 | 38% | 11% | 10% | 8% | 28% | 5% | 100% |
| 1991 | 37% | 9% | 11% | 11% | 26% | 6% | 100% |
| 1992 | 36% | 9% | 12% | 12% | 25% | 6% | 100% |
| 1993 | 35% | 7% | 11% | 14% | 26% | 6% | 100% |
| 1994 | 40% | 7% | 11% | 14% | 24% | 4% | 100% |
| 1995* | 42% | 7% | 10% | 13% | 24% | 4% | 100% |
| 1996* | 44% | 6% | 10% | 14% | 22% | 4% | 100% |
| 1997* | 45% | 6% | 10% | 13% | 21% | 4% | 100% |
| 1998* | 45% | 7% | 11% | 12% | 21% | 4% | 100% |
| 1999* | 47% | 7% | 10% | 11% | 21% | 4% | 100% |

Annual Growth Rates

| Fiscal Year | Airframes | Avionics | Defence Electronics | Other | Propulsion | Space | Total |
|-------------|-----------|----------|------------------------|-------|------------|-------|-------|
| 1985 | 23% | 28% | NA | 40% | 28% | 33% | 27% |
| 1986 | 35% | -11% | NA | 67% | 5% | -9% | 17% |
| 1987 | 1% | 16% | 3801% | 91% | 11% | 30% | 19% |
| 1988 | 20% | 2% | 1120% | -27% | 7% | 18% | 12% |
| 1989 | 17% | -4% | 106% | -4% | 28% | -16% | 19% |
| 1990 | 13% | 14% | -8% | -15% | 9% | 43% | 7% |
| 1991 | 6% | -4% | 20% | 48% | -3% | 36% | 8% |
| 1992 | -7% | -13% | 5% | 2% | -4% | 2% | -4% |
| 1993 | -7% | -18% | -13% | 15% | -4% | -13% | -6% |
| 1994 | 28% | 1% | 8% | 12% | 7% | -18% | 13% |
| 1995* | 16% | 9% | -3% | 0% | 7% | 2% | 8% |
| 1996* | 20% | 9% | 13% | 26% | 3% | 12% | 15% |
| 1997* | 11% | 11% | 16% | -2% | 7% | 14% | 9% |
| 1998* | 6% | 11% | 8% | -2% | 6% | 2% | 5% |
| 1999* | 13% | 6% | 2% | 3% | 5% | 5% | 8% |

Compound Annual Average Rate of Growth

| Fiscal Year | Airframes | Avionics | Defence Electronics | Other | Propulsion | Space | Total |
|-------------|-----------|----------|------------------------|-------|------------|-------|-------|
| 1984-1991 | 16% | 5% | NA | 22% | 12% | 17% | 16% |
| 1991-1993 | -7% | -16% | -4% | 9% | -4% | -6% | -5% |
| 1994-1999 | 13% | 9% | 7% | 4% | 6% | 7% | 9% |

Years with * are Forecast

SALES BY SUB-SECTOR

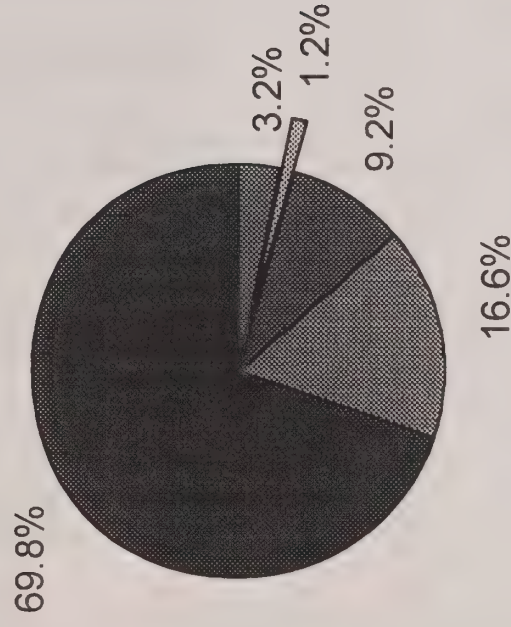
% OF TOTAL SALES



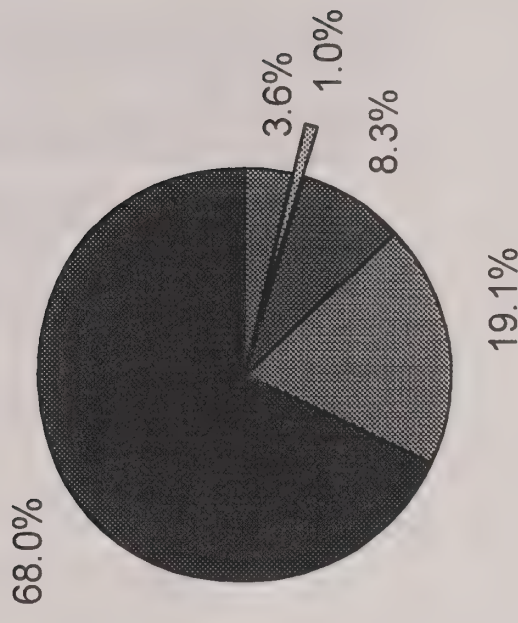
Airframes
 Propulsion
 Avionics
 Space
 Other
 Defence Electronics

SALES BY PRODUCT CATEGORY

% OF TOTAL SALES



1994



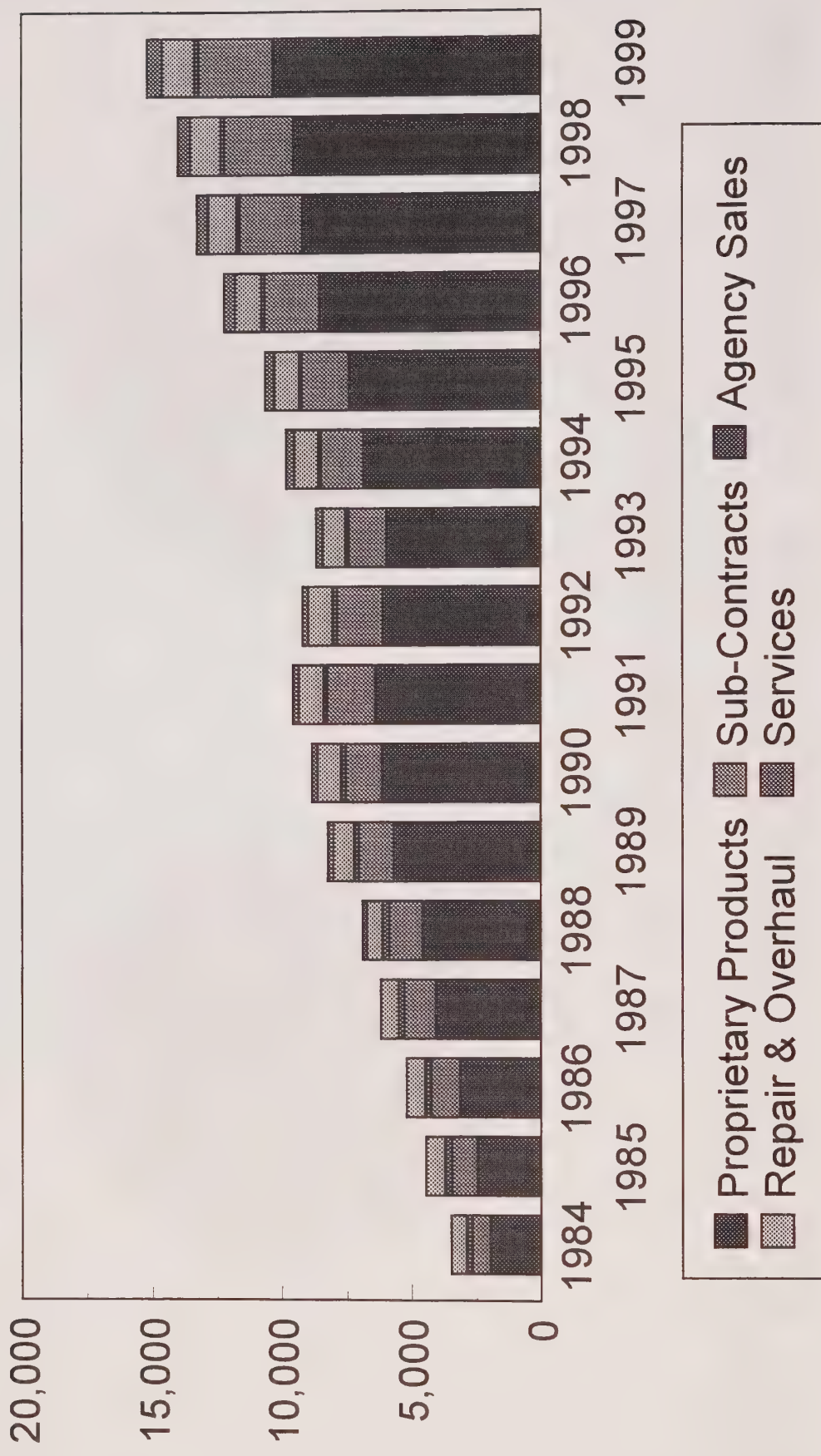
1999

(Forecast)

- Proprietary Products
- Agency Sales
- Subcontracts
- Services
- Repair & Overhaul

Sales by Product Category

\$ Millions



Sales by Product Category (\$ Millions)

| Fiscal Year | Proprietary Products | Sub-Contracts | Agency Sales | Repair & Overhaul | Services | Total |
|-------------|----------------------|---------------|--------------|-------------------|----------|-------|
| 1984 | 1971 | 700 | 217 | 593 | 0 | 3481 |
| 1985 | 2489 | 973 | 280 | 696 | 0 | 4438 |
| 1986 | 3136 | 1104 | 253 | 704 | 0 | 5197 |
| 1987 | 4050 | 1216 | 223 | 694 | 0 | 6184 |
| 1988 | 4552 | 1315 | 258 | 620 | 159 | 6904 |
| 1989 | 5687 | 1356 | 196 | 783 | 221 | 8243 |
| 1990 | 6140 | 1402 | 193 | 899 | 212 | 8847 |
| 1991 | 6403 | 1862 | 154 | 937 | 239 | 9595 |
| 1992 | 6098 | 1790 | 151 | 951 | 214 | 9204 |
| 1993 | 5952 | 1480 | 117 | 879 | 255 | 8683 |
| 1994 | 6852 | 1635 | 113 | 907 | 314 | 9821 |
| 1995* | 7395 | 1816 | 121 | 943 | 353 | 10628 |
| 1996* | 8543 | 2088 | 134 | 1031 | 406 | 12202 |
| 1997* | 9181 | 2407 | 139 | 1113 | 435 | 13275 |
| 1998* | 9552 | 2637 | 142 | 1197 | 466 | 13994 |
| 1999* | 10314 | 2890 | 149 | 1265 | 548 | 15166 |

Percentage of Total Sales

| Fiscal Year | Proprietary Products | Sub-Contracts | Agency Sales | Repair & Overhaul | Services | Total |
|-------------|----------------------|---------------|--------------|-------------------|----------|-------|
| 1984 | 57% | 20% | 6% | 17% | 0% | 100% |
| 1985 | 56% | 22% | 6% | 16% | 0% | 100% |
| 1986 | 60% | 21% | 5% | 14% | 0% | 100% |
| 1987 | 65% | 20% | 4% | 11% | 0% | 100% |
| 1988 | 66% | 19% | 4% | 9% | 2% | 100% |
| 1989 | 69% | 16% | 2% | 9% | 3% | 100% |
| 1990 | 69% | 16% | 2% | 10% | 2% | 100% |
| 1991 | 67% | 19% | 2% | 10% | 2% | 100% |
| 1992 | 66% | 19% | 2% | 10% | 2% | 100% |
| 1993 | 69% | 17% | 1% | 10% | 3% | 100% |
| 1994 | 70% | 17% | 1% | 9% | 3% | 100% |
| 1995* | 70% | 17% | 1% | 9% | 3% | 100% |
| 1996* | 70% | 17% | 1% | 8% | 3% | 100% |
| 1997* | 69% | 18% | 1% | 8% | 3% | 100% |
| 1998* | 68% | 19% | 1% | 9% | 3% | 100% |
| 1999* | 68% | 19% | 1% | 8% | 4% | 100% |

Annual Growth Rates

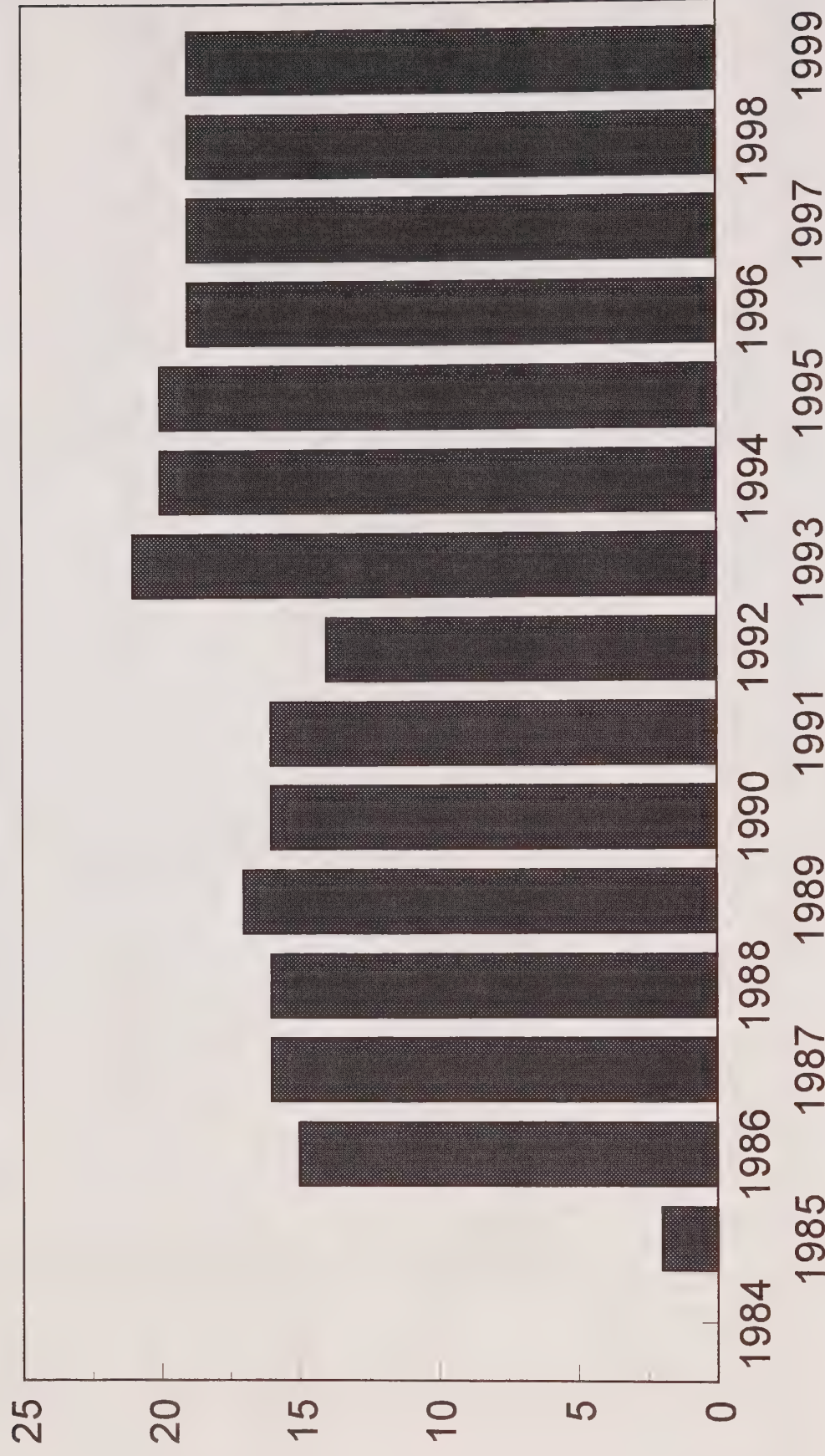
| Fiscal Year | Proprietary Products | Sub-Contracts | Agency Sales | Repair & Overhaul | Services | Total |
|-------------|----------------------|---------------|--------------|-------------------|----------|-------|
| 1985 | 26% | 39% | 29% | 17% | NA | 27% |
| 1986 | 26% | 13% | -10% | 1% | NA | 17% |
| 1987 | 29% | 10% | -12% | -1% | NA | 19% |
| 1988 | 12% | 8% | 15% | -11% | NA | 12% |
| 1989 | 25% | 3% | -24% | 26% | 38% | 19% |
| 1990 | 8% | 3% | -2% | 15% | -4% | 7% |
| 1991 | 4% | 33% | -20% | 4% | 13% | 8% |
| 1992 | -5% | -4% | -2% | 1% | -10% | -4% |
| 1993 | -2% | -17% | -23% | -8% | 19% | -6% |
| 1994 | 15% | 10% | -3% | 3% | 23% | 13% |
| 1995* | 8% | 11% | 7% | 4% | 12% | 8% |
| 1996* | 16% | 15% | 11% | 9% | 15% | 15% |
| 1997* | 7% | 15% | 4% | 8% | 7% | 9% |
| 1998* | 4% | 10% | 2% | 8% | 7% | 5% |
| 1999* | 8% | 10% | 5% | 6% | 18% | 8% |

Compound Annual Average Rate of Growth

| Fiscal Year | Proprietary Products | Sub-Contracts | Agency Sales | Repair & Overhaul | Services | Total |
|-------------|----------------------|---------------|--------------|-------------------|----------|-------|
| 1984-1991 | 18% | 15% | -5% | 7% | NA | 16% |
| 1991-1993 | -4% | -11% | -13% | -3% | 3% | -5% |
| 1994-1999 | 9% | 12% | 6% | 7% | 12% | 9% |

Years with * are Forecast

Spares as a % of Sales



| Spare Parts (\$Millions) | | | |
|---------------------------------|-------------|-------------|---------|
| Fiscal Year | Spare Parts | Gross Sales | Percent |
| 1984 | 3 | 3481 | 0% |
| 1985 | 96 | 4438 | 2% |
| 1986 | 767 | 5197 | 15% |
| 1987 | 974 | 6184 | 16% |
| 1988 | 1110 | 6904 | 16% |
| 1989 | 1430 | 8243 | 17% |
| 1990 | 1440 | 8847 | 16% |
| 1991 | 1576 | 9595 | 16% |
| 1992 | 1261 | 9204 | 14% |
| 1993 | 1826 | 8683 | 21% |
| 1994 | 1927 | 9821 | 20% |
| 1995* | 2103 | 10628 | 20% |
| 1996* | 2307 | 12202 | 19% |
| 1997* | 2501 | 13275 | 19% |
| 1998* | 2670 | 13994 | 19% |
| 1999* | 2905 | 15166 | 19% |

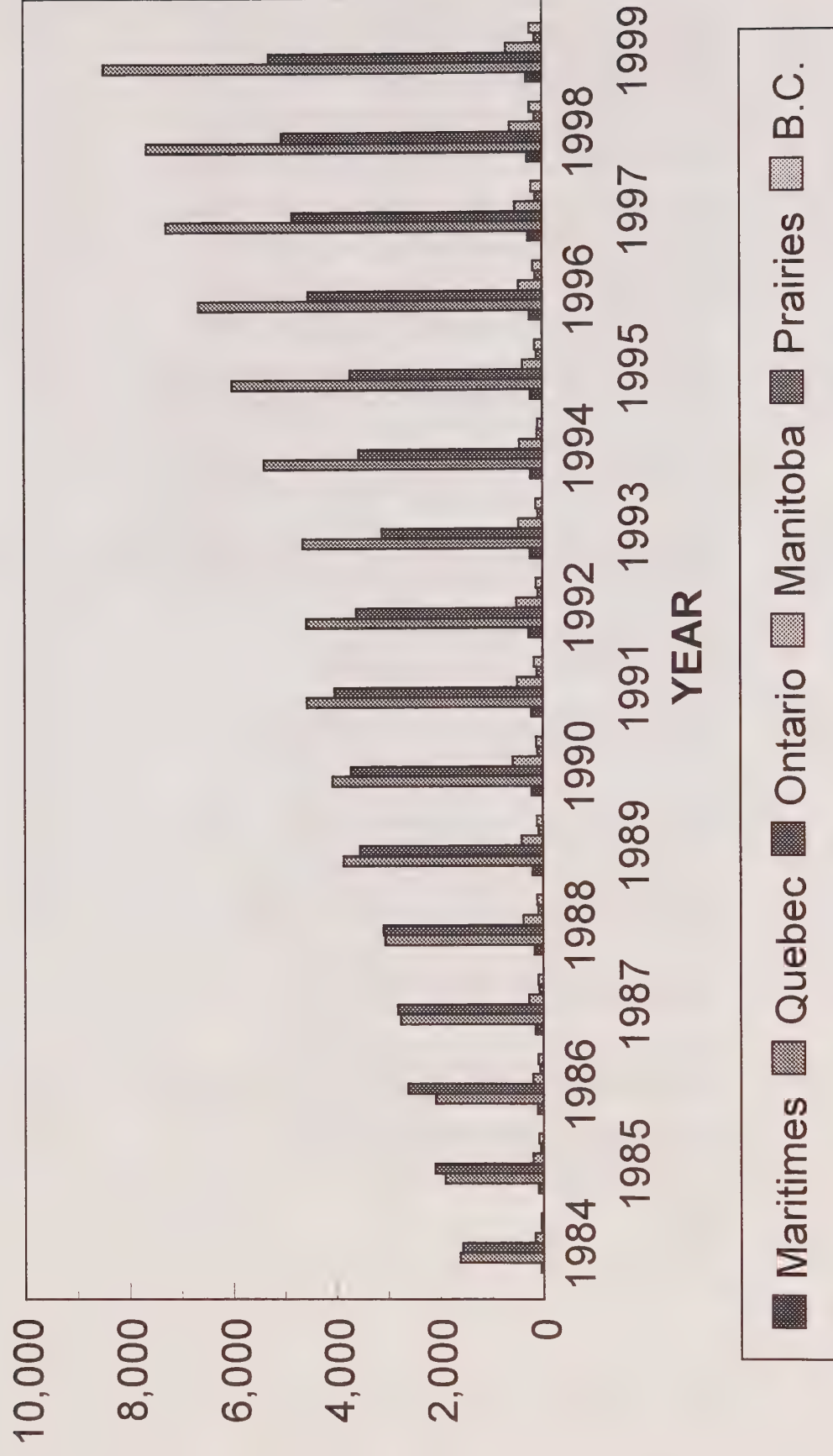
| Annual Growth Rates | | | |
|----------------------------|-------------|-------------|---------|
| Fiscal Year | Spare Parts | Gross Sales | Percent |
| 1985 | 3100% | 27% | 2410% |
| 1986 | 699% | 17% | 582% |
| 1987 | 27% | 19% | 7% |
| 1988 | 14% | 12% | 2% |
| 1989 | 29% | 19% | 8% |
| 1990 | 1% | 7% | -6% |
| 1991 | 9% | 8% | 1% |
| 1992 | -20% | -4% | -17% |
| 1993 | 45% | -6% | 53% |
| 1994 | 6% | 13% | -7% |
| 1995* | 9% | 8% | 1% |
| 1996* | 10% | 15% | -4% |
| 1997* | 8% | 9% | 0% |
| 1998* | 7% | 5% | 1% |
| 1999* | 9% | 8% | 0% |

| Compound Annual Average Rate of Growth | | | |
|---|-------------|-------------|---------|
| Fiscal Year | Spare Parts | Gross Sales | Percent |
| 1984-1991 | 145% | 16% | 112% |
| 1991-1993 | 8% | -5% | 13% |
| 1994-1999 | 9% | 9% | 0% |

| |
|---------------------------|
| Years with * are Forecast |
|---------------------------|

SALES BY REGION

\$ MILLIONS



| Sales by Regions (\$ Millions) | | | | | | | |
|--------------------------------|----------|--------|---------|----------|----------|------|-------|
| Fiscal Year | Atlantic | Quebec | Ontario | Manitoba | Prairies | B.C. | Total |
| 1984 | 61 | 1610 | 1557 | 160 | 46 | 47 | 3482 |
| 1985 | 99 | 1905 | 2093 | 200 | 54 | 87 | 4438 |
| 1986 | 114 | 2088 | 2623 | 205 | 66 | 102 | 5198 |
| 1987 | 155 | 2759 | 2814 | 280 | 75 | 101 | 6184 |
| 1988 | 174 | 3052 | 3083 | 382 | 97 | 114 | 6902 |
| 1989 | 199 | 3861 | 3544 | 420 | 83 | 122 | 8230 |
| 1990 | 229 | 4073 | 3712 | 587 | 108 | 136 | 8844 |
| 1991 | 224 | 4552 | 4025 | 504 | 120 | 169 | 9593 |
| 1992 | 276 | 4566 | 3606 | 513 | 102 | 132 | 9196 |
| 1993 | 252 | 4631 | 3105 | 465 | 102 | 128 | 8683 |
| 1994 | 230 | 5383 | 3553 | 448 | 109 | 97 | 9820 |
| 1995* | 234 | 6003 | 3728 | 388 | 117 | 156 | 10626 |
| 1996* | 250 | 6647 | 4522 | 455 | 144 | 182 | 12200 |
| 1997* | 283 | 7270 | 4831 | 528 | 145 | 215 | 13273 |
| 1998* | 293 | 7641 | 5031 | 625 | 149 | 252 | 13992 |
| 1999* | 310 | 8464 | 5282 | 701 | 152 | 253 | 15163 |

| Percentage of Total Sales | | | | | | | |
|---------------------------|----------|--------|---------|----------|----------|------|-------|
| Fiscal Year | Atlantic | Quebec | Ontario | Manitoba | Prairies | B.C. | Total |
| 1984 | 2% | 46% | 45% | 5% | 1% | 1% | 100% |
| 1985 | 2% | 43% | 47% | 5% | 1% | 2% | 100% |
| 1986 | 2% | 40% | 50% | 4% | 1% | 2% | 100% |
| 1987 | 3% | 45% | 46% | 5% | 1% | 2% | 100% |
| 1988 | 3% | 44% | 45% | 6% | 1% | 2% | 100% |
| 1989 | 2% | 47% | 43% | 5% | 1% | 1% | 100% |
| 1990 | 3% | 46% | 42% | 7% | 1% | 2% | 100% |
| 1991 | 2% | 47% | 42% | 5% | 1% | 2% | 100% |
| 1992 | 3% | 50% | 39% | 6% | 1% | 1% | 100% |
| 1993 | 3% | 53% | 36% | 5% | 1% | 1% | 100% |
| 1994 | 2% | 55% | 36% | 5% | 1% | 1% | 100% |
| 1995* | 2% | 56% | 35% | 4% | 1% | 1% | 100% |
| 1996* | 2% | 54% | 37% | 4% | 1% | 1% | 100% |
| 1997* | 2% | 55% | 36% | 4% | 1% | 2% | 100% |
| 1998* | 2% | 55% | 36% | 4% | 1% | 2% | 100% |
| 1999* | 2% | 56% | 35% | 5% | 1% | 2% | 100% |

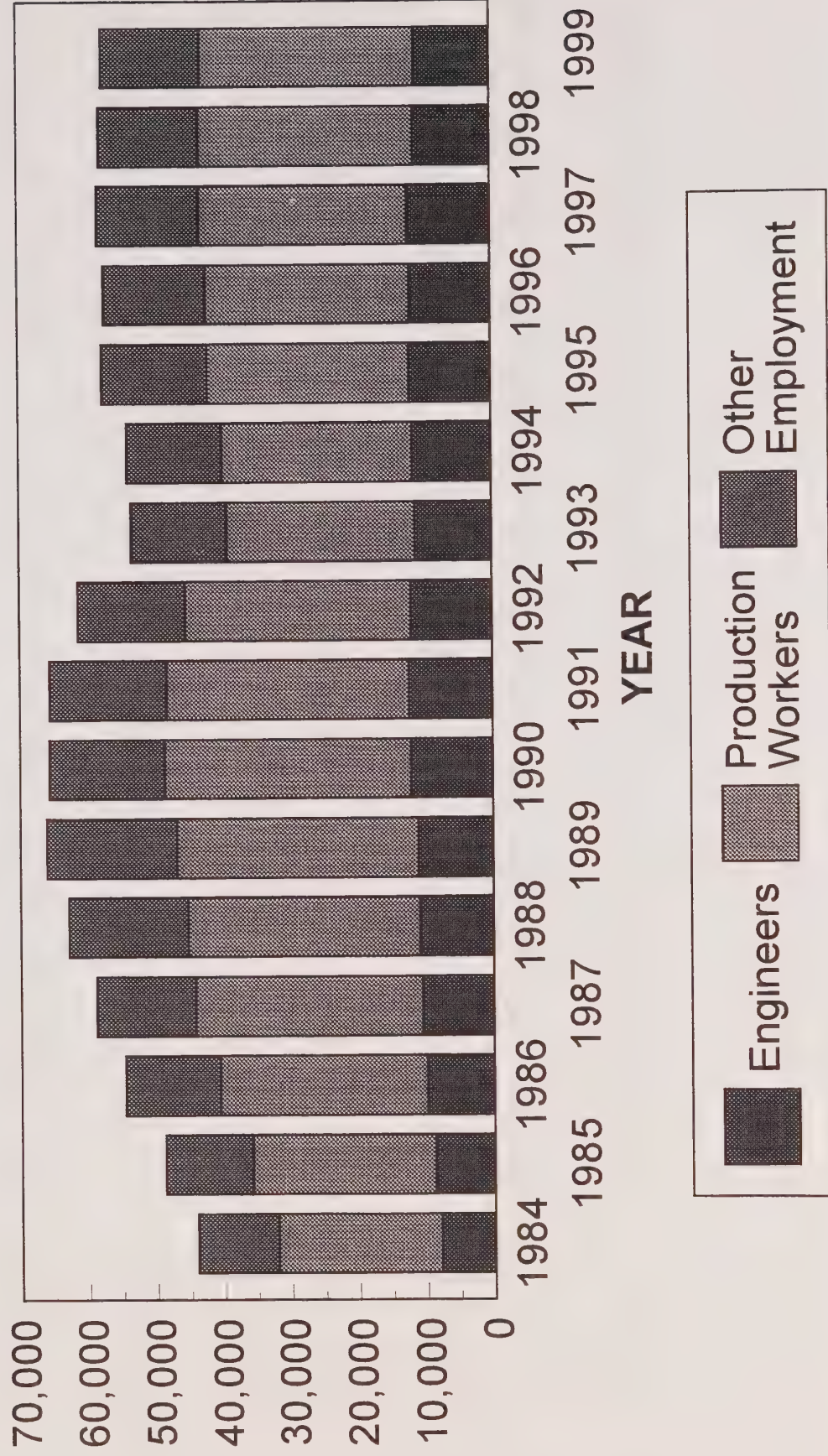
| Annual Growth Rates | | | | | | | |
|---------------------|----------|--------|---------|----------|----------|------|-------|
| Fiscal Year | Atlantic | Quebec | Ontario | Manitoba | Prairies | B.C. | Total |
| 1985 | 62% | 18% | 34% | 25% | 17% | 85% | 27% |
| 1986 | 15% | 10% | 25% | 3% | 22% | 17% | 17% |
| 1987 | 36% | 32% | 7% | 37% | 14% | -1% | 19% |
| 1988 | 12% | 11% | 10% | 36% | 29% | 13% | 12% |
| 1989 | 14% | 27% | 15% | 10% | -14% | 7% | 19% |
| 1990 | 15% | 5% | 5% | 40% | 30% | 11% | 7% |
| 1991 | -2% | 12% | 8% | -14% | 11% | 24% | 8% |
| 1992 | 23% | 0.3% | -10% | 2% | -15% | -22% | -4% |
| 1993 | -9% | 1% | -14% | -9% | 0% | -3% | -6% |
| 1994 | -9% | 16% | 14% | -4% | 7% | -24% | 13% |
| 1995* | 2% | 12% | 5% | -13% | 7% | 61% | 8% |
| 1996* | 7% | 11% | 21% | 17% | 23% | 17% | 15% |
| 1997* | 13% | 9% | 7% | 16% | 1% | 18% | 9% |
| 1998* | 4% | 5% | 4% | 18% | 3% | 17% | 5% |
| 1999* | 6% | 11% | 5% | 12% | 2% | 0.4% | 8% |

| Compound Annual Average Rate of Growth | | | | | | | |
|--|----------|--------|---------|----------|----------|------|-------|
| Fiscal Year | Atlantic | Quebec | Ontario | Manitoba | Prairies | B.C. | Total |
| 1984-1991 | 20% | 16% | 15% | 18% | 15% | 20% | 16% |
| 1991-1993 | 6% | 1% | -12% | -4% | -8% | -13% | -5% |
| 1994-1999 | 6% | 9% | 8% | 9% | 7% | 21% | 9% |

Years with * are Forecast

EMPLOYMENT BY CATEGORY

EMPLOYEES



| Employment (Number of Employees) | | | | |
|----------------------------------|-------------|------------|-------|-------|
| Fiscal Year | Engineering | Production | Other | Total |
| 1984 | 7893 | 24069 | 12079 | 44041 |
| 1985 | 8702 | 26982 | 13109 | 48793 |
| 1986 | 9890 | 30726 | 14016 | 54632 |
| 1987 | 10554 | 33656 | 14652 | 58862 |
| 1988 | 10876 | 34410 | 17574 | 62860 |
| 1989 | 11016 | 35881 | 19211 | 66108 |
| 1990 | 12081 | 36510 | 17088 | 65679 |
| 1991 | 12375 | 35895 | 17344 | 65614 |
| 1992 | 12016 | 33449 | 15851 | 61316 |
| 1993 | 11394 | 27868 | 14170 | 53432 |
| 1994 | 11716 | 28174 | 14141 | 54031 |
| 1995* | 12100 | 29904 | 15633 | 57637 |
| 1996* | 11953 | 30222 | 15163 | 57338 |
| 1997* | 12281 | 30848 | 15125 | 58254 |
| 1998* | 11354 | 31766 | 14748 | 57868 |
| 1999* | 11220 | 31670 | 14550 | 57440 |

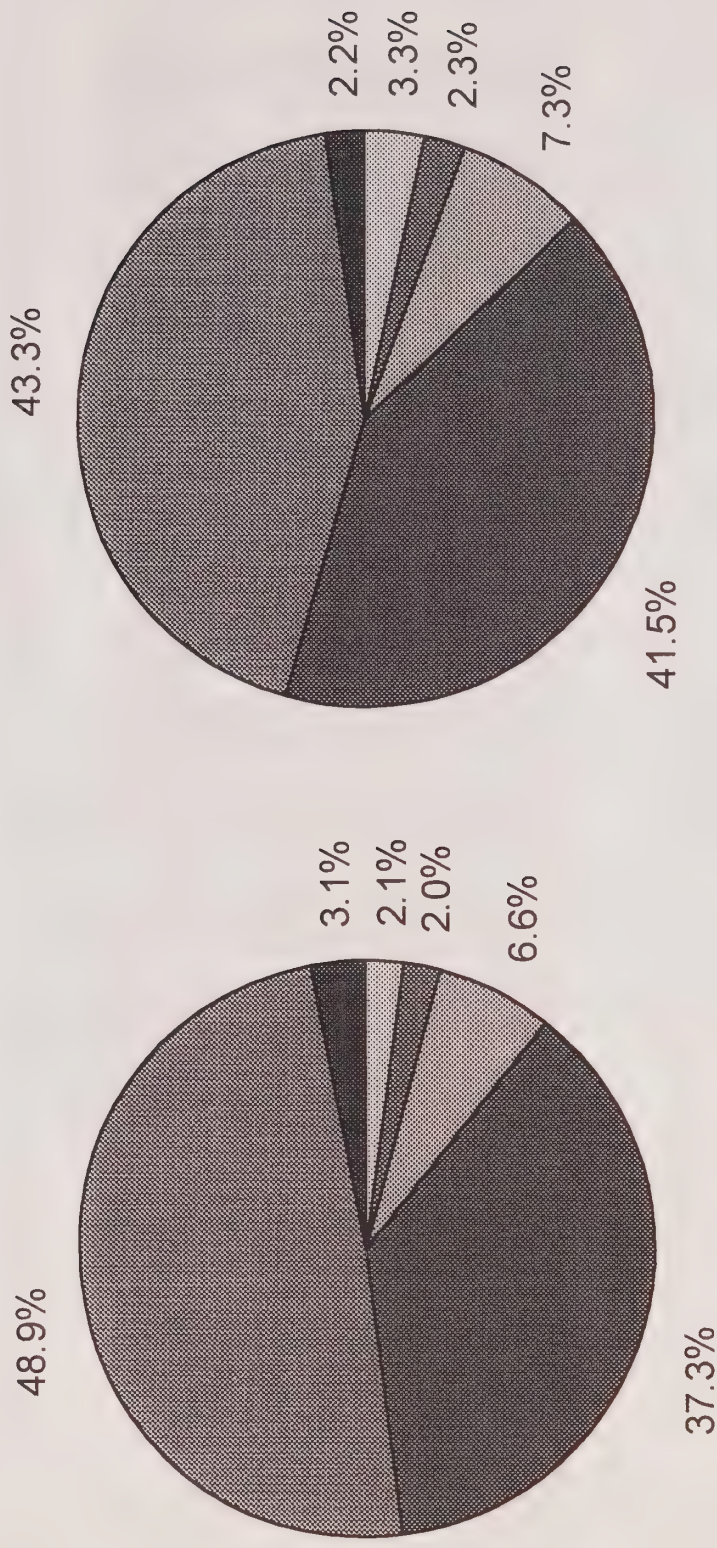
| Percentage of Employees | | | | |
|-------------------------|-------------|------------|-------|-------|
| Fiscal Year | Engineering | Production | Other | Total |
| 1984 | 18% | 55% | 27% | 100% |
| 1985 | 18% | 55% | 27% | 100% |
| 1986 | 18% | 56% | 26% | 100% |
| 1987 | 18% | 57% | 25% | 100% |
| 1988 | 17% | 55% | 28% | 100% |
| 1989 | 17% | 54% | 29% | 100% |
| 1990 | 18% | 56% | 26% | 100% |
| 1991 | 19% | 55% | 26% | 100% |
| 1992 | 20% | 55% | 26% | 100% |
| 1993 | 21% | 52% | 27% | 100% |
| 1994 | 22% | 52% | 26% | 100% |
| 1995* | 21% | 52% | 27% | 100% |
| 1996* | 21% | 53% | 26% | 100% |
| 1997* | 21% | 53% | 26% | 100% |
| 1998* | 20% | 55% | 25% | 100% |
| 1999* | 20% | 55% | 25% | 100% |

| Annual Growth Rates | | | | |
|---------------------|-------------|------------|-------|-------|
| Fiscal Year | Engineering | Production | Other | Total |
| 1985 | 10% | 12% | 9% | 11% |
| 1986 | 14% | 14% | 7% | 12% |
| 1987 | 7% | 10% | 5% | 8% |
| 1988 | 3% | 2% | 20% | 7% |
| 1989 | 1% | 4% | 9% | 5% |
| 1990 | 10% | 2% | -11% | -1% |
| 1991 | 2% | -2% | 1% | 0% |
| 1992 | -3% | -7% | -9% | -7% |
| 1993 | -5% | -17% | -11% | -13% |
| 1994 | 3% | 1% | 0% | 1% |
| 1995* | 3% | 6% | 11% | 7% |
| 1996* | -1% | 1% | -3% | -1% |
| 1997* | 3% | 2% | 0% | 2% |
| 1998* | -8% | 3% | -2% | -1% |
| 1999* | -1% | 0% | -1% | -1% |

| Compound Average Annual Rate of Growth | | | | |
|--|-------------|------------|-------|-------|
| Fiscal Year | Engineering | Production | Other | Total |
| 1984-1991 | 7% | 6% | 5% | 6% |
| 1991-1993 | -4% | -12% | -10% | -10% |
| 1994-1999 | -1% | 2% | 1% | 1% |

Years with * are Forecast

DISTRIBUTION OF EMPLOYMENT BY REGION



1994

1999
FORECAST

Atlantic Quebec Ontario Manitoba Alta-Sask BC

| Regional Employment (Number of Employees) | | | | | | | |
|--|----------|--------|---------|----------|----------|------|-------|
| Fiscal Year | Atlantic | Quebec | Ontario | Manitoba | Prairies | B.C. | Total |
| 1984 | 999 | 18156 | 21119 | 2562 | 599 | 606 | 44041 |
| 1985 | 1250 | 19385 | 23930 | 2801 | 685 | 742 | 48793 |
| 1986 | 1822 | 21106 | 26619 | 3293 | 794 | 999 | 54633 |
| 1987 | 1718 | 23101 | 28481 | 3696 | 867 | 998 | 58861 |
| 1988 | 1888 | 25432 | 29363 | 3954 | 1049 | 1173 | 62859 |
| 1989 | 1794 | 27078 | 30878 | 4213 | 911 | 1233 | 66107 |
| 1990 | 1952 | 27937 | 28555 | 4743 | 1172 | 1320 | 65679 |
| 1991 | 1933 | 28194 | 28358 | 4177 | 1418 | 1535 | 65615 |
| 1992 | 2167 | 29182 | 23346 | 4293 | 1121 | 1206 | 61315 |
| 1993 | 1911 | 26281 | 19347 | 3500 | 1179 | 1214 | 53432 |
| 1994 | 1655 | 26411 | 20137 | 3562 | 1106 | 1135 | 54006 |
| 1995* | 1716 | 27927 | 22116 | 3347 | 1201 | 1307 | 57614 |
| 1996* | 1788 | 26285 | 22876 | 3588 | 1277 | 1499 | 57313 |
| 1997* | 1878 | 26435 | 23032 | 3839 | 1325 | 1720 | 58229 |
| 1998* | 1827 | 25100 | 23614 | 4034 | 1347 | 1919 | 57841 |
| 1999* | 1257 | 24889 | 23807 | 4215 | 1327 | 1920 | 57415 |

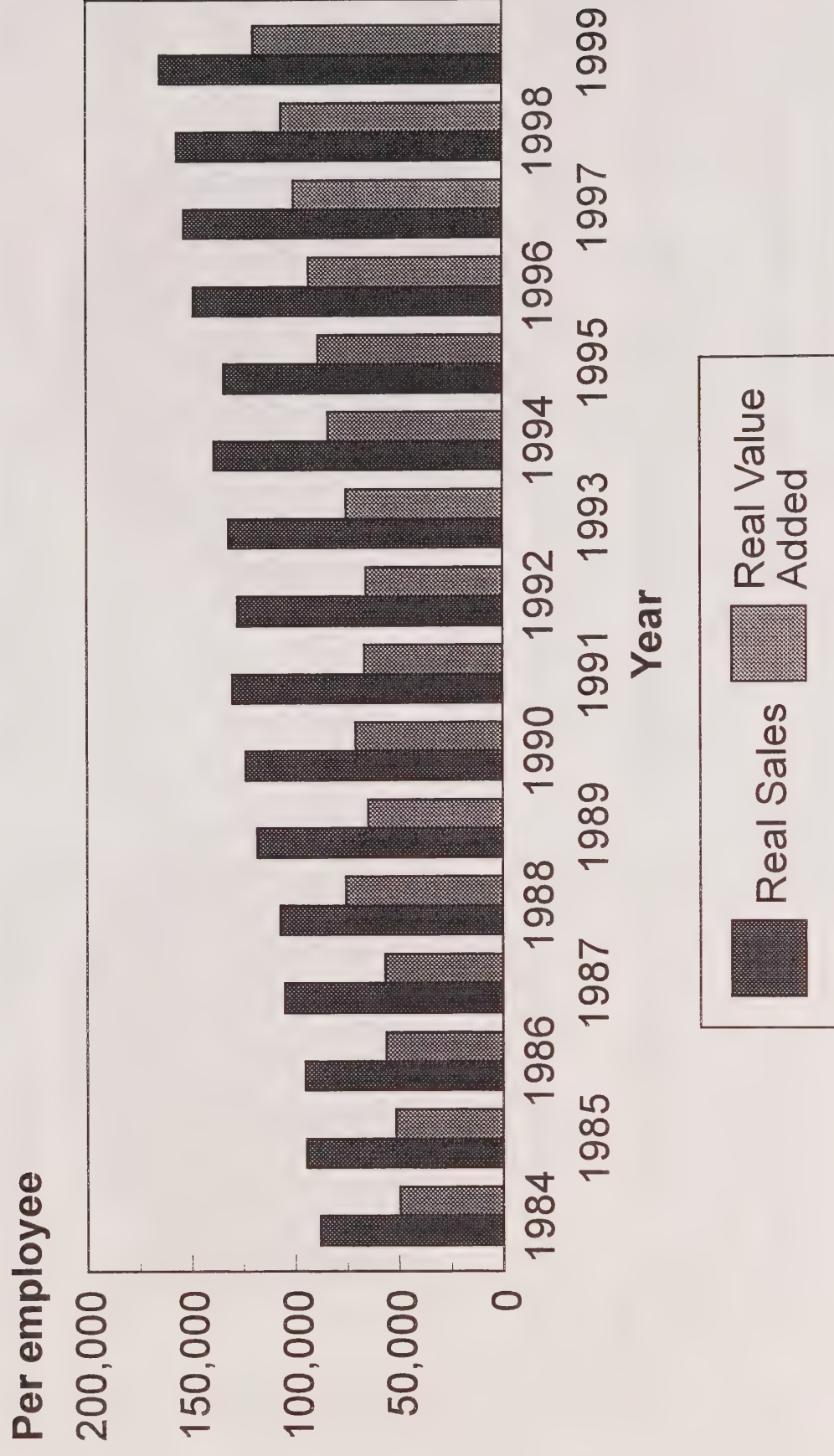
| Percentage of Total Employment | | | | | | | |
|--------------------------------|----------|--------|---------|----------|----------|------|-------|
| Fiscal Year | Atlantic | Quebec | Ontario | Manitoba | Prairies | B.C. | Total |
| 1984 | 2% | 41% | 48% | 6% | 1% | 1% | 100% |
| 1985 | 3% | 40% | 49% | 6% | 1% | 2% | 100% |
| 1986 | 3% | 39% | 49% | 6% | 1% | 2% | 100% |
| 1987 | 3% | 39% | 48% | 6% | 1% | 2% | 100% |
| 1988 | 3% | 40% | 47% | 6% | 2% | 2% | 100% |
| 1989 | 3% | 41% | 47% | 6% | 1% | 2% | 100% |
| 1990 | 3% | 43% | 43% | 7% | 2% | 2% | 100% |
| 1991 | 3% | 43% | 43% | 6% | 2% | 2% | 100% |
| 1992 | 4% | 48% | 38% | 7% | 2% | 2% | 100% |
| 1993 | 4% | 49% | 36% | 7% | 2% | 2% | 100% |
| 1994 | 3% | 49% | 37% | 7% | 2% | 2% | 100% |
| 1995* | 3% | 48% | 38% | 6% | 2% | 2% | 100% |
| 1996* | 3% | 46% | 40% | 6% | 2% | 3% | 100% |
| 1997* | 3% | 45% | 40% | 7% | 2% | 3% | 100% |
| 1998* | 3% | 43% | 41% | 7% | 2% | 3% | 100% |
| 1999* | 2% | 43% | 41% | 7% | 2% | 3% | 100% |

| Annual Growth Rates | | | | | | | |
|---------------------|----------|--------|---------|----------|----------|------|-------|
| Fiscal Year | Atlantic | Quebec | Ontario | Manitoba | Prairies | B.C. | Total |
| 1985 | 25% | 7% | 13% | 9% | 14% | 22% | 11% |
| 1986 | 46% | 9% | 11% | 18% | 16% | 35% | 12% |
| 1987 | -6% | 9% | 7% | 12% | 9% | 0% | 8% |
| 1988 | 10% | 10% | 3% | 7% | 21% | 18% | 7% |
| 1989 | -5% | 6% | 5% | 7% | -13% | 5% | 5% |
| 1990 | 9% | 3% | -8% | 13% | 29% | 7% | -1% |
| 1991 | -1% | 1% | -1% | -12% | 21% | 16% | 0% |
| 1992 | 12% | 4% | -18% | 3% | -21% | -21% | -7% |
| 1993 | -12% | -10% | -17% | -18% | 5% | 1% | -13% |
| 1994 | -13% | 0% | 4% | 2% | -6% | -7% | 1% |
| 1995* | 4% | 6% | 10% | -6% | 9% | 15% | 7% |
| 1996* | 4% | -6% | 3% | 7% | 6% | 15% | -1% |
| 1997* | 5% | 1% | 1% | 7% | 4% | 15% | 2% |
| 1998* | -3% | -5% | 3% | 5% | 2% | 12% | -1% |
| 1999* | -31% | -1% | 1% | 4% | -1% | 0% | -1% |

| Compound Average Annual Rate of Growth | | | | | | | |
|--|----------|--------|---------|----------|----------|------|-------|
| Fiscal Year | Atlantic | Quebec | Ontario | Manitoba | Prairies | B.C. | Total |
| 1984-1991 | 10% | 6% | 4% | 7% | 13% | 14% | 6% |
| 1991-1993 | -1% | -3% | -17% | -8% | -9% | -11% | -10% |
| 1994-1999 | -5% | -1% | 3% | 3% | 4% | 11% | 1% |

Years with * are Forecast

Estimate of Output per Employee (1986 constant \$)



| Estimate of Output per Employee (1986 constant \$) | | |
|--|-------------------------|-------------------------------|
| Fiscal Year | Real Sales per Employee | Real value added per Employee |
| 1984 | \$87,945 | \$49,462 |
| 1985 | \$94,448 | \$51,317 |
| 1986 | \$95,144 | \$55,973 |
| 1987 | \$104,851 | \$56,409 |
| 1988 | \$107,019 | \$75,462 |
| 1989 | \$117,893 | \$64,565 |
| 1990 | \$123,537 | \$70,701 |
| 1991 | \$129,841 | \$66,492 |
| 1992 | \$127,532 | \$65,470 |
| 1993 | \$131,586 | \$75,200 |
| 1994 | \$138,422 | \$83,761 |
| 1995* | \$133,689 | \$88,407 |
| 1996* | \$148,585 | \$92,808 |
| 1997* | \$153,123 | \$99,990 |
| 1998* | \$156,499 | \$106,161 |
| 1999* | \$164,473 | \$119,462 |

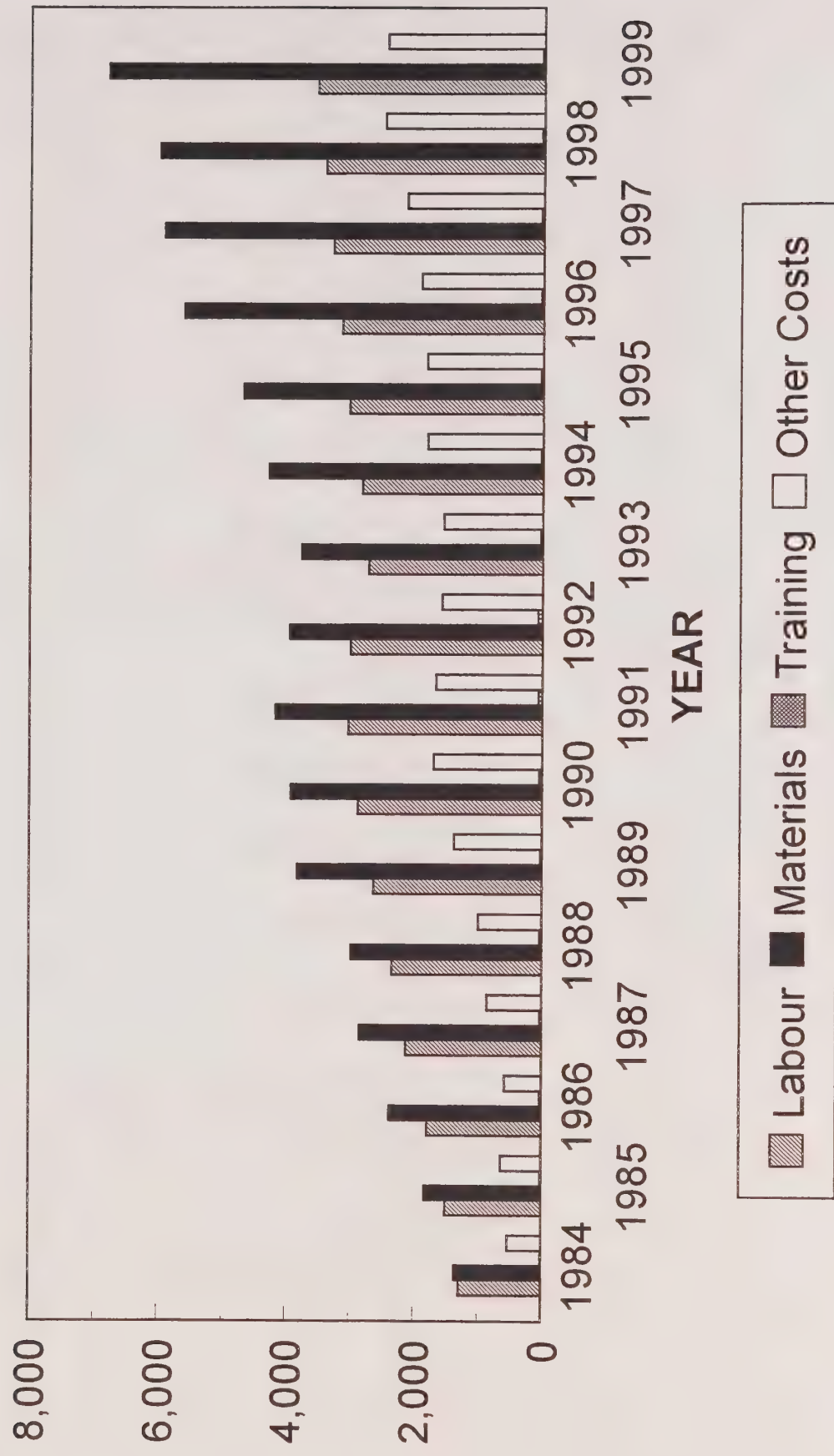
| Annual Growth Rates | | |
|----------------------------|-------------------------|-------------------------------|
| Fiscal Year | Real Sales per Employee | Real value added per Employee |
| 1985 | 7% | 4% |
| 1986 | 1% | 9% |
| 1987 | 10% | 1% |
| 1988 | 2% | 34% |
| 1989 | 10% | -14% |
| 1990 | 5% | 10% |
| 1991 | 5% | -6% |
| 1992 | -2% | -2% |
| 1993 | 3% | 15% |
| 1994 | 5% | 11% |
| 1995* | -3% | 6% |
| 1996* | 11% | 5% |
| 1997* | 3% | 8% |
| 1998* | 2% | 6% |
| 1999* | 5% | 13% |

| Compound Annual Average Rate of Growth | | |
|---|-------------------------|-------------------------------|
| Fiscal Year | Real Sales per Employee | Real value added per Employee |
| 1984-1991 | 6% | 4% |
| 1991-1993 | 1% | 6% |
| 1994-1999 | 4% | 7% |

| | | |
|---------------------------|--|--|
| Years with * are Forecast | | |
|---------------------------|--|--|

Industry Costs

\$ Millions



| Breakdown of Total Costs (\$ Millions) | | | | | |
|---|--------|-------------------|----------|-------|-------|
| Fiscal Year | Labour | Material Purchase | Training | Other | Total |
| 1984 | 1291 | 1358 | 15 | 526 | 3190 |
| 1985 | 1501 | 1825 | 17 | 635 | 3978 |
| 1986 | 1787 | 2374 | 29 | 574 | 4764 |
| 1987 | 2127 | 2840 | 31 | 856 | 5854 |
| 1988 | 2347 | 2981 | 36 | 993 | 6357 |
| 1989 | 2634 | 3822 | 30 | 1371 | 7857 |
| 1990 | 2877 | 3920 | 45 | 1693 | 8535 |
| 1991 | 3027 | 4162 | 58 | 1664 | 8911 |
| 1992 | 2999 | 3939 | 68 | 1563 | 8569 |
| 1993 | 2720 | 3767 | 29 | 1537 | 8053 |
| 1994 | 2818 | 4275 | 32 | 1803 | 8928 |
| 1995* | 3018 | 4673 | 37 | 1811 | 9539 |
| 1996* | 3139 | 5600 | 38 | 1907 | 10684 |
| 1997* | 3279 | 5910 | 40 | 2133 | 11362 |
| 1998* | 3399 | 5989 | 40 | 2478 | 11906 |
| 1999* | 3532 | 6787 | 40 | 2448 | 12807 |

| Percentage of Total Costs | | | | | |
|---------------------------|--------|-------------------|----------|-------|-------|
| Fiscal Year | Labour | Material Purchase | Training | Other | Total |
| 1984 | 40% | 43% | 0.5% | 16% | 100% |
| 1985 | 38% | 46% | 0.4% | 16% | 100% |
| 1986 | 38% | 50% | 0.6% | 12% | 100% |
| 1987 | 36% | 49% | 0.5% | 15% | 100% |
| 1988 | 37% | 47% | 0.6% | 16% | 100% |
| 1989 | 34% | 49% | 0.4% | 17% | 100% |
| 1990 | 34% | 46% | 0.5% | 20% | 100% |
| 1991 | 34% | 47% | 0.7% | 19% | 100% |
| 1992 | 35% | 46% | 0.8% | 18% | 100% |
| 1993 | 34% | 47% | 0.4% | 19% | 100% |
| 1994 | 32% | 48% | 0.4% | 20% | 100% |
| 1995* | 32% | 49% | 0.4% | 19% | 100% |
| 1996* | 29% | 52% | 0.4% | 18% | 100% |
| 1997* | 29% | 52% | 0.4% | 19% | 100% |
| 1998* | 29% | 50% | 0.3% | 21% | 100% |
| 1999* | 28% | 53% | 0.3% | 19% | 100% |

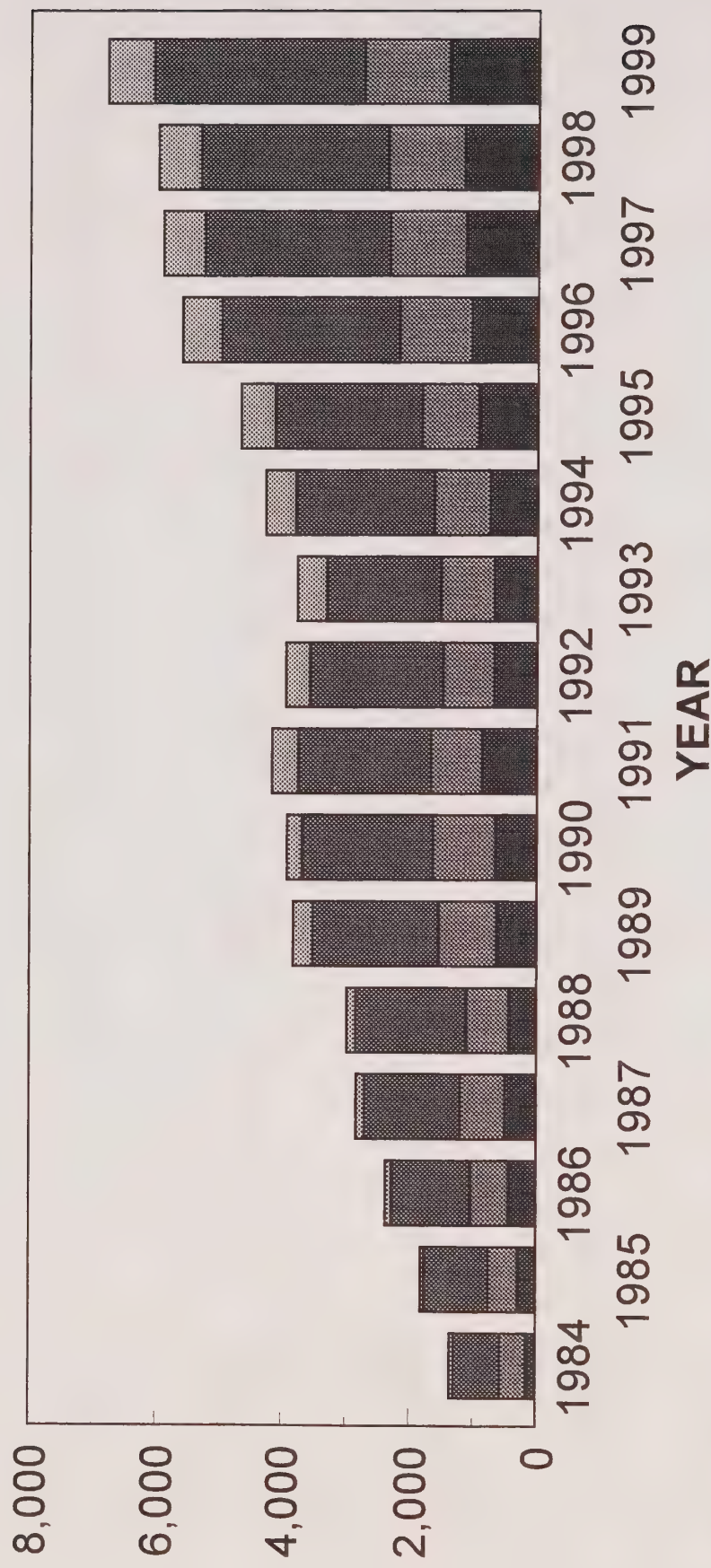
| Annual Growth Rates | | | | | |
|---------------------|--------|-------------------|----------|-------|-------|
| Fiscal Year | Labour | Material Purchase | Training | Other | Total |
| 1985 | 16% | 34% | 13% | 21% | 25% |
| 1986 | 19% | 30% | 71% | -10% | 20% |
| 1987 | 19% | 20% | 7% | 49% | 23% |
| 1988 | 10% | 5% | 16% | 16% | 9% |
| 1989 | 12% | 28% | -17% | 38% | 24% |
| 1990 | 9% | 3% | 50% | 23% | 9% |
| 1991 | 5% | 6% | 29% | -2% | 4% |
| 1992 | -1% | -5% | 17% | -6% | -4% |
| 1993 | -9% | -4% | -57% | -2% | -6% |
| 1994 | 4% | 13% | 10% | 17% | 11% |
| 1995* | 7% | 9% | 16% | 0% | 7% |
| 1996* | 4% | 20% | 3% | 5% | 12% |
| 1997* | 4% | 6% | 5% | 12% | 6% |
| 1998* | 4% | 1% | 0% | 16% | 5% |
| 1999* | 4% | 13% | 0% | -1% | 8% |

| Compound Annual Average Rate of Growth | | | | | |
|--|--------|-------------------|----------|-------|-------|
| Fiscal Year | Labour | Material Purchase | Training | Other | Total |
| 1984-1991 | 13% | 17% | 21% | 18% | 16% |
| 1991-1993 | -5% | -5% | -29% | -4% | -5% |
| 1994-1999 | 5% | 10% | 5% | 6% | 7% |

Years with * are Forecast

SOURCES OF MATERIAL INPUTS

\$MILLIONS



| Sources of Material Inputs (\$ Millions) | | | | | |
|--|--|--------------------------------|------|------------------|-------|
| Fiscal Year | Canadian Aerospace & Defence Manufacturers | Other Canadian Companies | U.S. | Other Foreign | TOTAL |
| 1984 | 155 | 415 | 731 | 57 | 1358 |
| 1985 | 286 | 466 | 1012 | 61 | 1825 |
| 1986 | 430 | 595 | 1258 | 91 | 2374 |
| 1987 | 503 | 704 | 1503 | 131 | 2841 |
| 1988 | 437 | 663 | 1737 | 144 | 2981 |
| 1989 | 627 | 914 | 1975 | 306 | 3822 |
| 1990 | 654 | 993 | 2039 | 233 | 3919 |
| 1991 | 869 | 802 | 2071 | 419 | 4161 |
| 1992 | 672 | 808 | 2083 | 376 | 3939 |
| 1993 | 678 | 835 | 1792 | 461 | 3766 |
| 1994 | 747 | 879 | 2164 | 484 | 4274 |
| 1995* | 926 | 907 | 2290 | 550 | 4673 |
| 1996* | 1046 | 1133 | 2807 | 615 | 5601 |
| 1997* | 1135 | 1205 | 2909 | 661 | 5910 |
| 1998* | 1159 | 1200 | 2949 | 680 | 5988 |
| 1999* | 1402 | 1345 | 3318 | 721 | 6786 |

| Percentage of Total | | | | | |
|---------------------|--|--------------------------------|------|------------------|-------|
| Fiscal Year | Canadian Aerospace & Defence Manufacturers | Other Canadian Companies | U.S. | Other Foreign | TOTAL |
| 1984 | 11% | 31% | 54% | 4% | 100% |
| 1985 | 16% | 26% | 55% | 3% | 100% |
| 1986 | 18% | 25% | 53% | 4% | 100% |
| 1987 | 18% | 25% | 53% | 5% | 100% |
| 1988 | 15% | 22% | 58% | 5% | 100% |
| 1989 | 16% | 24% | 52% | 8% | 100% |
| 1990 | 17% | 25% | 52% | 6% | 100% |
| 1991 | 21% | 19% | 50% | 10% | 100% |
| 1992 | 17% | 21% | 53% | 10% | 100% |
| 1993 | 18% | 22% | 48% | 12% | 100% |
| 1994 | 17% | 21% | 51% | 11% | 100% |
| 1995* | 20% | 19% | 49% | 12% | 100% |
| 1996* | 19% | 20% | 50% | 11% | 100% |
| 1997* | 19% | 20% | 49% | 11% | 100% |
| 1998* | 19% | 20% | 49% | 11% | 100% |
| 1999* | 21% | 20% | 49% | 11% | 100% |

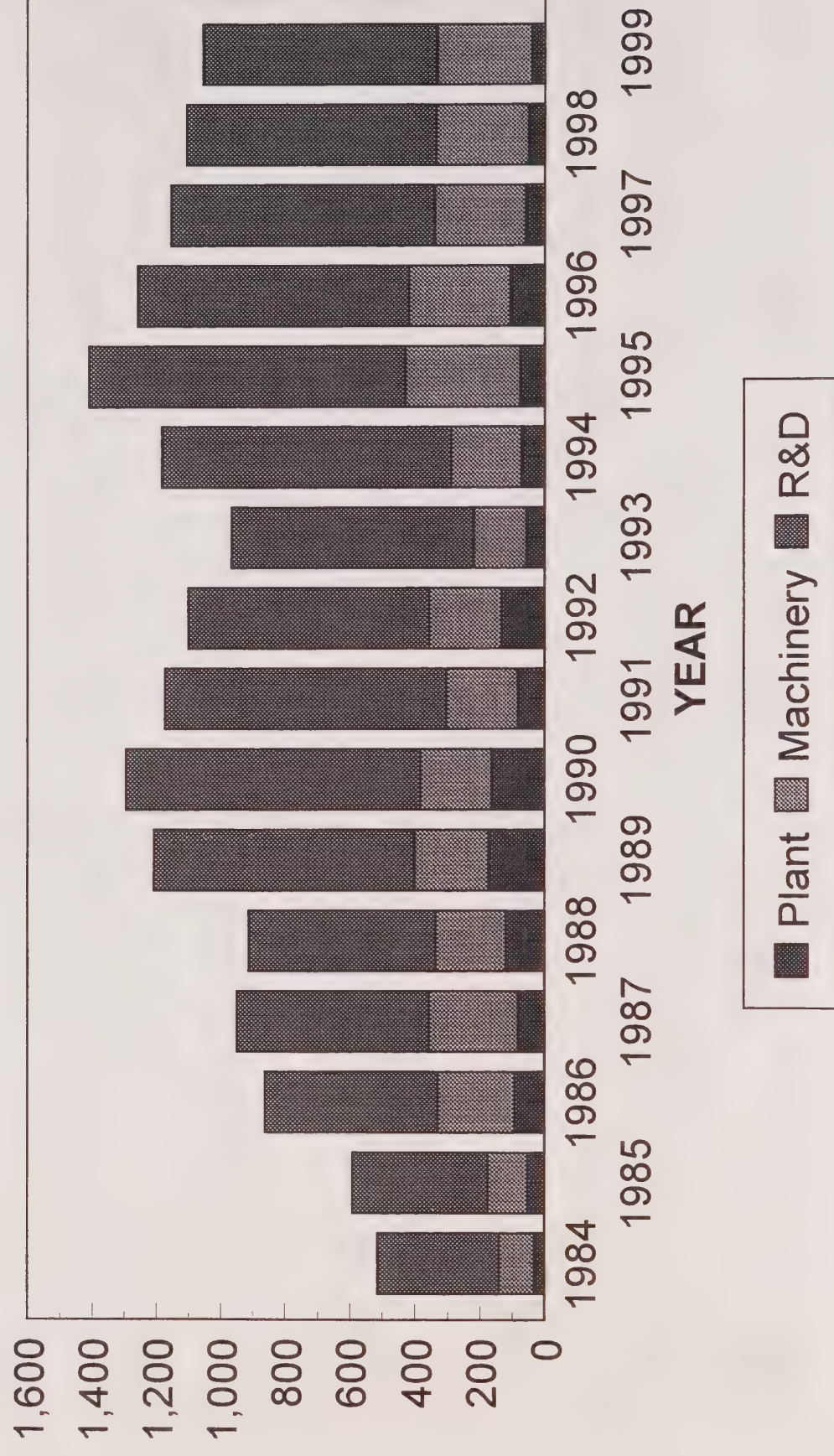
| Annual Growth Rates | | | | | |
|---------------------|--|--------------------------------|------|------------------|-------|
| Fiscal Year | Canadian Aerospace & Defence Manufacturers | Other Canadian Companies | U.S. | Other Foreign | TOTAL |
| 1985 | 85% | 12% | 38% | 7% | 34% |
| 1986 | 50% | 28% | 24% | 49% | 30% |
| 1987 | 17% | 18% | 19% | 44% | 20% |
| 1988 | -13% | -6% | 16% | 10% | 5% |
| 1989 | 43% | 38% | 14% | 113% | 28% |
| 1990 | 4% | 9% | 3% | -24% | 3% |
| 1991 | 33% | -19% | 2% | 80% | 6% |
| 1992 | -23% | 1% | 1% | -10% | -5% |
| 1993 | 1% | 3% | -14% | 23% | -4% |
| 1994 | 10% | 5% | 21% | 5% | 13% |
| 1995* | 24% | 3% | 6% | 14% | 9% |
| 1996* | 13% | 25% | 23% | 12% | 20% |
| 1997* | 9% | 6% | 4% | 7% | 6% |
| 1998* | 2% | 0% | 1% | 3% | 1% |
| 1999* | 21% | 12% | 13% | 6% | 13% |

| Compound Annual Average Rate of Growth | | | | | |
|--|--|--------------------------------|------|------------------|-------|
| Fiscal Year | Canadian Aerospace & Defence Manufacturers | Other Canadian Companies | U.S. | Other Foreign | TOTAL |
| 1984-1991 | 28% | 10% | 16% | 33% | 17% |
| 1991-1993 | -12% | 2% | -7% | 5% | -5% |
| 1994-1999 | 13% | 9% | 9% | 8% | 10% |

Years with * are Forecast

NEW INVESTMENT BY CATEGORY

\$ MILLIONS



| Distribution of Investment Expenditure (\$ Millions) | | | | |
|---|-------|-----------|-----|-------|
| Fiscal Year | Plant | Machinery | R&D | Total |
| 1984 | 31 | 110 | 373 | 514 |
| 1985 | 52 | 125 | 415 | 592 |
| 1986 | 93 | 238 | 530 | 861 |
| 1987 | 83 | 275 | 592 | 950 |
| 1988 | 120 | 218 | 575 | 913 |
| 1989 | 172 | 228 | 808 | 1208 |
| 1990 | 164 | 219 | 912 | 1295 |
| 1991 | 83 | 221 | 871 | 1175 |
| 1992 | 134 | 222 | 745 | 1101 |
| 1993 | 56 | 163 | 747 | 966 |
| 1994 | 72 | 217 | 896 | 1185 |
| 1995* | 76 | 353 | 982 | 1411 |
| 1996* | 105 | 314 | 840 | 1259 |
| 1997* | 57 | 283 | 816 | 1156 |
| 1998* | 50 | 286 | 770 | 1106 |
| 1999* | 42 | 291 | 724 | 1057 |

| Percentage of Total Expenditure | | | | |
|---------------------------------|-------|-----------|-----|-------|
| Fiscal Year | Plant | Machinery | R&D | Total |
| 1984 | 6% | 21% | 73% | 100% |
| 1985 | 9% | 21% | 70% | 100% |
| 1986 | 11% | 28% | 62% | 100% |
| 1987 | 9% | 29% | 62% | 100% |
| 1988 | 13% | 24% | 63% | 100% |
| 1989 | 14% | 19% | 67% | 100% |
| 1990 | 13% | 17% | 70% | 100% |
| 1991 | 7% | 19% | 74% | 100% |
| 1992 | 12% | 20% | 68% | 100% |
| 1993 | 6% | 17% | 77% | 100% |
| 1994 | 6% | 18% | 76% | 100% |
| 1995* | 5% | 25% | 70% | 100% |
| 1996* | 8% | 25% | 67% | 100% |
| 1997* | 5% | 24% | 71% | 100% |
| 1998* | 5% | 26% | 70% | 100% |
| 1999* | 4% | 28% | 68% | 100% |

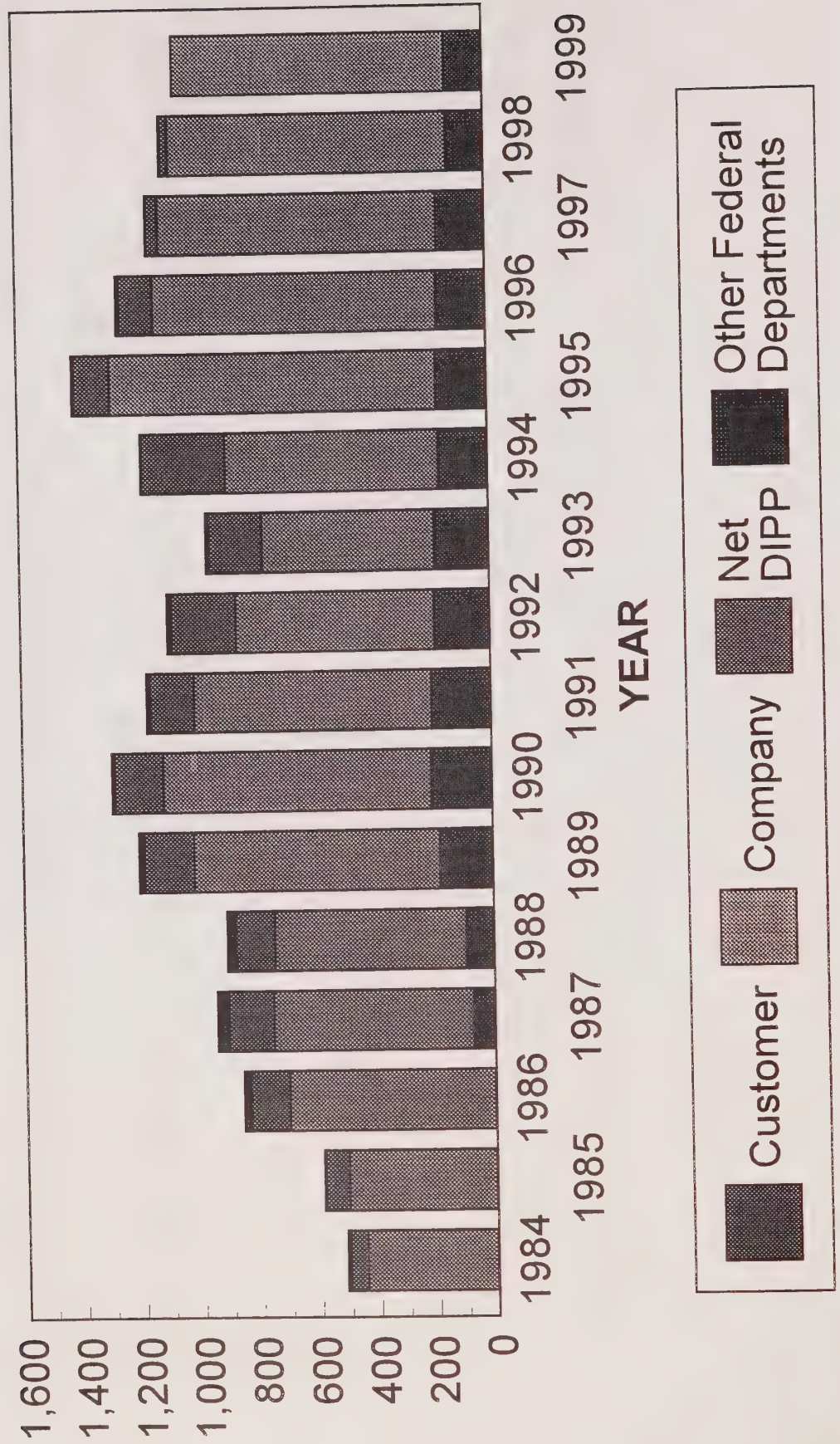
| Annual Growth Rates | | | | |
|---------------------|-------|-----------|------|-------|
| Fiscal Year | Plant | Machinery | R&D | Total |
| 1985 | 68% | 14% | 11% | 15% |
| 1986 | 79% | 90% | 28% | 45% |
| 1987 | -11% | 16% | 12% | 10% |
| 1988 | 45% | -21% | -3% | -4% |
| 1989 | 43% | 5% | 41% | 32% |
| 1990 | -5% | -4% | 13% | 7% |
| 1991 | -49% | 1% | -4% | -9% |
| 1992 | 61% | 0% | -14% | -6% |
| 1993 | -58% | -27% | 0% | -12% |
| 1994 | 29% | 33% | 20% | 23% |
| 1995* | 6% | 63% | 10% | 19% |
| 1996* | 38% | -11% | -14% | -11% |
| 1997* | -46% | -10% | -3% | -8% |
| 1998* | -12% | 1% | -6% | -4% |
| 1999* | -16% | 2% | -6% | -4% |

| Compound Annual Average Rate of Growth | | | | |
|--|-------|-----------|-----|-------|
| Fiscal Year | Plant | Machinery | R&D | Total |
| 1984-1991 | 15% | 10% | 13% | 13% |
| 1991-1993 | -18% | -14% | -7% | -9% |
| 1994-1999 | -10% | 6% | -4% | -2% |

Years with * are Forecast

SOURCES OF INVESTMENT

\$ MILLIONS



| Sources of Investment (\$ Millions) | | | | | |
|--------------------------------------|-----------|-----------|----------|-------------------|-------|
| Fiscal Year | Customers | Companies | Net DIPP | Other Departments | Total |
| 1984 | 2 | 444 | 57 | 11 | 514 |
| 1985 | 2 | 504 | 81 | 4 | 591 |
| 1986 | 3 | 703 | 135 | 20 | 861 |
| 1987 | 75 | 680 | 157 | 37 | 949 |
| 1988 | 97 | 654 | 134 | 27 | 912 |
| 1989 | 183 | 838 | 169 | 18 | 1208 |
| 1990 | 208 | 913 | 164 | 10 | 1295 |
| 1991 | 205 | 810 | 148 | 12 | 1175 |
| 1992 | 192 | 675 | 222 | 13 | 1102 |
| 1993 | 187 | 587 | 185 | 7 | 966 |
| 1994 | 170 | 727 | 284 | 4 | 1185 |
| 1995* | 176 | 1107 | 124 | 4 | 1411 |
| 1996* | 171 | 964 | 117 | 7 | 1259 |
| 1997* | 167 | 946 | 42 | 0 | 1155 |
| 1998* | 128 | 947 | 31 | 0 | 1106 |
| 1999* | 132 | 926 | -2 | 0 | 1056 |

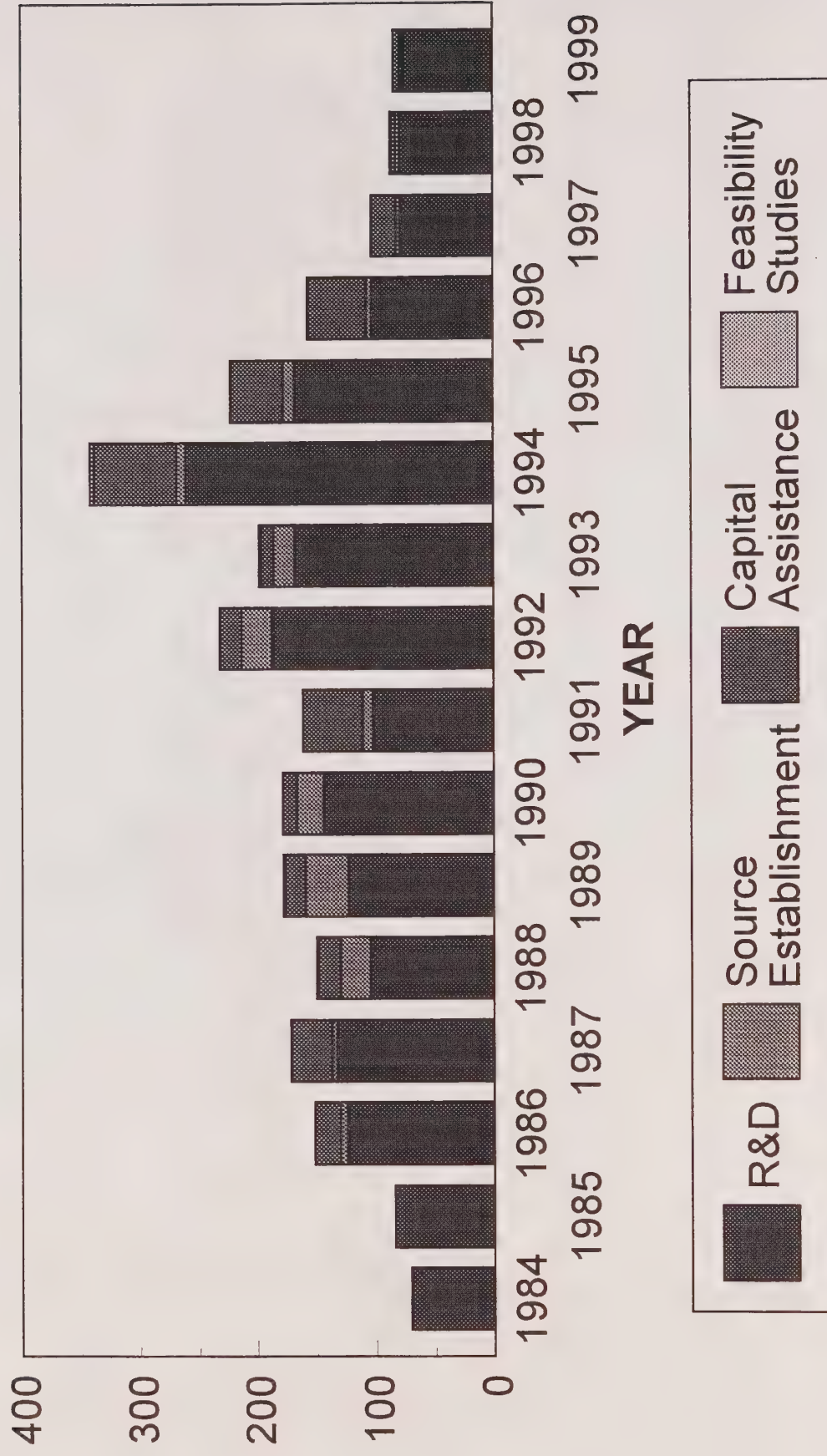
| Percentage of Total Investment | | | | | |
|--------------------------------|-----------|-----------|----------|-------------------|-------|
| Fiscal Year | Customers | Companies | Net DIPP | Other Departments | Total |
| 1984 | 0% | 86% | 11% | 2% | 100% |
| 1985 | 0% | 85% | 14% | 1% | 100% |
| 1986 | 0% | 82% | 16% | 2% | 100% |
| 1987 | 8% | 72% | 17% | 4% | 100% |
| 1988 | 11% | 72% | 15% | 3% | 100% |
| 1989 | 15% | 69% | 14% | 1% | 100% |
| 1990 | 16% | 71% | 13% | 1% | 100% |
| 1991 | 17% | 69% | 13% | 1% | 100% |
| 1992 | 17% | 61% | 20% | 1% | 100% |
| 1993 | 19% | 61% | 19% | 1% | 100% |
| 1994 | 14% | 61% | 24% | 0% | 100% |
| 1995* | 12% | 78% | 9% | 0% | 100% |
| 1996* | 14% | 77% | 9% | 1% | 100% |
| 1997* | 14% | 82% | 4% | 0% | 100% |
| 1998* | 12% | 86% | 3% | 0% | 100% |
| 1999* | 13% | 88% | 0% | 0% | 100% |

| Annual Growth Rates | | | | | |
|---------------------|-----------|-----------|----------|-------------------|-------|
| Fiscal Year | Customers | Companies | Net DIPP | Other Departments | Total |
| 1985 | 0% | 14% | 42% | -64% | 15% |
| 1986 | 50% | 39% | 67% | 400% | 46% |
| 1987 | 2400% | -3% | 16% | 85% | 10% |
| 1988 | 29% | -4% | -15% | -27% | -4% |
| 1989 | 89% | 28% | 26% | -33% | 32% |
| 1990 | 14% | 9% | -3% | -44% | 7% |
| 1991 | -1% | -11% | -10% | 20% | -9% |
| 1992 | -6% | -17% | 50% | 8% | -6.2% |
| 1993 | -3% | -13% | -17% | -46% | -12% |
| 1994 | -9% | 24% | 54% | -43% | 23% |
| 1995* | 4% | 52% | -56% | 0% | 19% |
| 1996* | -3% | -13% | -6% | 75% | -11% |
| 1997* | -2% | -2% | -64% | -100% | -8% |
| 1998* | -23% | 0.1% | -26% | NA | -4% |
| 1999* | 3% | -2% | -106% | NA | -5% |

| Compound Annual Average Rate of Growth | | | | | |
|--|-----------|-----------|----------|-------------------|-------|
| Fiscal Year | Customers | Companies | Net DIPP | Other Departments | Total |
| 1984-1991 | 94% | 9% | 15% | 1% | 13% |
| 1991-1993 | -4% | -15% | 12% | -24% | -9% |
| 1994-1999 | -5% | 5% | -137% | -100% | -2% |

Years with * are Forecast

INDUSTRY CANADA SUPPORT FOR INVESTMENT \$ MILLIONS



| Industry Canada Support for Investment (\$ Millions) | | | | | | |
|---|-----|-----|-----|-----|------|-------|
| Fiscal Year | R&D | MOD | SRC | CAP | FEAS | Total |
| 1984 | 70 | 14 | 0 | 0 | 0 | 84 |
| 1985 | 84 | 19 | 0 | 0 | 0 | 103 |
| 1986 | 124 | 0 | 6 | 22 | 0 | 152 |
| 1987 | 133 | 0 | 4 | 35 | 0 | 172 |
| 1988 | 105 | 0 | 25 | 19 | 1 | 150 |
| 1989 | 123 | 0 | 36 | 17 | 2 | 178 |
| 1990 | 144 | 0 | 22 | 12 | 0 | 178 |
| 1991 | 102 | 0 | 9 | 50 | 0 | 161 |
| 1992 | 187 | 0 | 26 | 19 | 0 | 232 |
| 1993 | 168 | 0 | 18 | 10 | 2 | 198 |
| 1994 | 261 | 0 | 8 | 70 | 3 | 342 |
| 1995* | 168 | 0 | 9 | 45 | 1 | 223 |
| 1996* | 103 | 0 | 4 | 50 | 0 | 157 |
| 1997* | 78 | 0 | 4 | 21 | 0 | 103 |
| 1998* | 79 | 0 | 3 | 5 | 0 | 87 |
| 1999* | 76 | 0 | 3 | 5 | 0 | 84 |

| Percentage of Total | | | | | | |
|---------------------|-----|-----|-----|-----|------|-------|
| Fiscal Year | R&D | MOD | SRC | CAP | FEAS | Total |
| 1984 | 83% | 17% | 0% | 0% | 0% | 100% |
| 1985 | 82% | 18% | 0% | 0% | 0% | 100% |
| 1986 | 82% | 0% | 4% | 14% | 0% | 100% |
| 1987 | 77% | 0% | 2% | 20% | 0% | 100% |
| 1988 | 70% | 0% | 17% | 13% | 1% | 100% |
| 1989 | 69% | 0% | 20% | 10% | 1% | 100% |
| 1990 | 81% | 0% | 12% | 7% | 0% | 100% |
| 1991 | 63% | 0% | 6% | 31% | 0% | 100% |
| 1992 | 81% | 0% | 11% | 8% | 0% | 100% |
| 1993 | 85% | 0% | 9% | 5% | 1% | 100% |
| 1994 | 76% | 0% | 2% | 20% | 1% | 100% |
| 1995* | 75% | 0% | 4% | 20% | 0% | 100% |
| 1996* | 66% | 0% | 3% | 32% | 0% | 100% |
| 1997* | 76% | 0% | 4% | 20% | 0% | 100% |
| 1998* | 91% | 0% | 3% | 6% | 0% | 100% |
| 1999* | 90% | 0% | 4% | 6% | 0% | 100% |

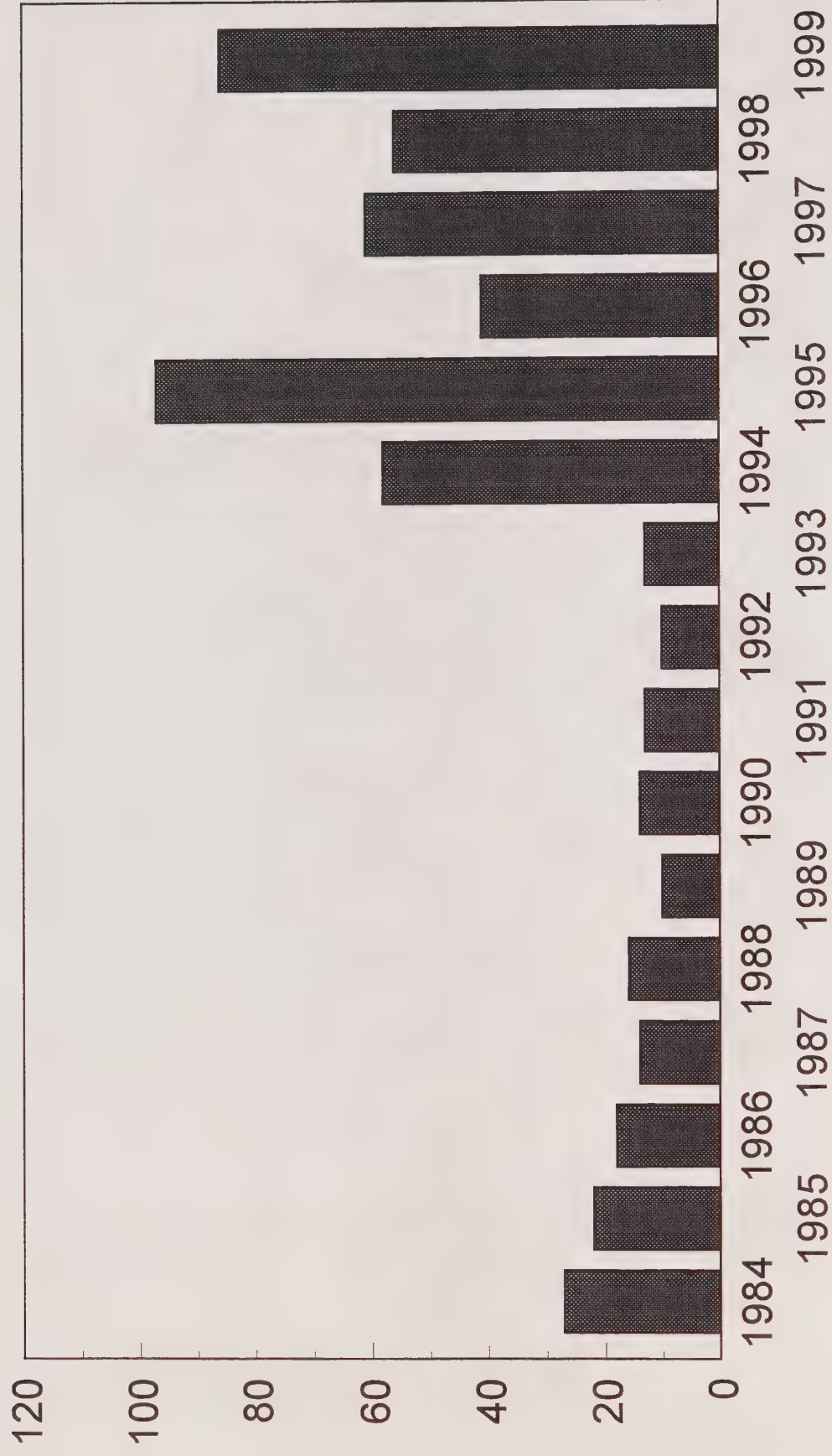
| Annual Growth Rates | | | | | | |
|---------------------|------|-------|------|------|-------|-------|
| Fiscal Year | R&D | MOD | SRC | CAP | FEAS | Total |
| 1984 | NA | NA | NA | NA | NA | NA |
| 1985 | 20% | 36% | NA | NA | NA | 23% |
| 1986 | 48% | -100% | NA | NA | NA | 48% |
| 1987 | 7% | NA | -33% | 59% | NA | 13% |
| 1988 | -21% | NA | 525% | -46% | NA | -13% |
| 1989 | 17% | NA | 44% | -11% | 100% | 19% |
| 1990 | 17% | NA | -39% | -29% | -100% | 0% |
| 1991 | -29% | NA | -59% | 317% | NA | -10% |
| 1992 | 83% | NA | 189% | -62% | NA | 44% |
| 1993 | -10% | NA | -31% | -47% | NA | -15% |
| 1994 | 55% | NA | -56% | 600% | 50% | 73% |
| 1995* | -36% | NA | 13% | -36% | -67% | -35% |
| 1996* | -39% | NA | -56% | 11% | -100% | -30% |
| 1997* | -24% | NA | 0% | -58% | NA | -34% |
| 1998* | 1% | NA | -25% | -76% | NA | -16% |
| 1999* | -4% | NA | 0% | 0% | NA | -3% |

| Compound Annual Average Rate of Growth | | | | | | |
|--|------|-------|------|------|-------|-------|
| Fiscal Year | R&D | MOD | SRC | CAP | FEAS | Total |
| 1984-1991 | 6% | -100% | NA | NA | NA | 10% |
| 1991-1993 | 28% | NA | 41% | -55% | NA | 11% |
| 1994-1999 | -22% | NA | -18% | -41% | -100% | -24% |

| | |
|---------------------------|--------------------------------|
| MOD: Modernisation | CAP: Capital Assistance |
| SRC: Source Establishment | FEAS: Market Feasibility Study |
| Years with * are Forecast | |

DIPP Repayments

\$ Millions



| Repayments Under DIPP (\$ Millions) | |
|-------------------------------------|------------|
| Fiscal Year | Repayments |
| 1984 | 27 |
| 1985 | 22 |
| 1986 | 18 |
| 1987 | 14 |
| 1988 | 16 |
| 1989 | 10 |
| 1990 | 14 |
| 1991 | 13 |
| 1992 | 10 |
| 1993 | 13 |
| 1994 | 58 |
| 1995* | 97 |
| 1996* | 41 |
| 1997* | 61 |
| 1998* | 56 |
| 1999* | 86 |

| Annual Growth Rates | |
|---------------------|------------|
| Fiscal Year | Repayments |
| 1985 | -19% |
| 1986 | -18% |
| 1987 | -22% |
| 1988 | 14% |
| 1989 | -38% |
| 1990 | 40% |
| 1991 | -7% |
| 1992 | -23% |
| 1993 | 30% |
| 1994 | 346% |
| 1995* | 67% |
| 1996* | -58% |
| 1997* | 49% |
| 1998* | -8% |
| 1999* | 54% |

| Compound Annual Average Rate of Growth | |
|--|------------|
| Fiscal Year | Repayments |
| 1984-1991 | -10% |
| 1991-1993 | 0% |
| 1994-1999 | 8% |

Years with * are Forecast

ANNEX

ANNEX 1

ESTABLISHMENTS THAT PARTICIPATED IN 1995 SURVEY

| | |
|---|--|
| AlliedSignal Aerospace Canada (Toronto) | Hughes Leitz Optical Technologies |
| Andrew Canada Inc. | IMP Aerospace Components Ltd. |
| Atlantis Aerospace Corporation | IMP Group Ltd. - Aerospace Division |
| Automation Tooling Systems Inc. | Indal Technologies Inc. |
| Bell Helicopter Textron Can | Innotech Aviaiton Limited |
| Boeing Canada Technology Ltd. - Arnprior Division | Invar Manufacturing Ltd. |
| Boeing Canada Technology Ltd. - Winnipeg Division | Les Caoutchoucs Acton Limitée |
| Bombardier Inc. Groupe Canadair | Les Technologies Industrielles SNC Inc. |
| Bristol Aerospace Limited | Linamar Corporation |
| CAE Aviation Ltd. | Litton Systems Canada Limited |
| CAE Electronics Ltd. | Lockheed Canada Inc. |
| CAL Corporation | Lucas Aerospace Engine Control System |
| Canadian Marconi Company | MacDonald, Dettwiler & Associates Ltd. |
| Champion Road Machinery | McDonnell Douglas Canada Ltd. |
| Chicopee Manufacturing Ltd. | Menasco Aerospace Ltd. |
| Com Dev Ltd. | Messier-Dowty Inc. |
| Computing Devices Canada Ltd. | Messier-Dowty Inc. - Montreal |
| de Havilland Inc. | Oerlikon Aerospace Inc. |
| Derlan Aerospace Canada Ltd. | Pratt & Whitney Canada Inc. |
| Devtek Corporation | Raytheon Canada Ltd. |
| DY 4 Systems Inc. | Remtec Inc. |
| Eurocopter Canada Limited | Spar Aerospace Limited -Aviation Services |
| FAG Bearings Ltd. Aerospace Division | Spar Aerospace Limited - Space Systems Brampton |
| Field Aviation Company Inc. | Spar Aérospatiale Ltée, Space Systems - Sainte-Anne |
| Fleet Industries, A Fleet Aerospace Co. | Standard Aero Limited |
| General Electric Canada | Thordon Bearings Inc. |
| General Motors of Canada Limited - Diesel Division | Unisys GSG Canada |
| Haley Industries Limited | Vadeko Agra Technologies |
| Hawker Siddeley Canada | Walbar Canada Inc. |
| Heroux Inc. | |

TOP 20: 1994

LEADING AEROSPACE AND DEFENCE COMPANIES

| RANKED BY 1994 TOTAL SALES | 1994 |
|---|-------------|
| BOMBARDIER INC - CANADAIR LTD | 1 |
| PRATT & WHITNEY CANADA INC. | 2 |
| BELL HELICOPTER TEXTRON | 3 |
| DE HAVILLAND INC. | 4 |
| GENERAL MOTORS OF CANADA; DIESEL DIVISION | 5 |
| CAE ELECTRONICS LTD. | 6 |
| COMPUTING DEVICES COMPANY | 7 |
| SPAR AEROSPACE LTD. | 8 |
| ROLLS-ROYCES CANADA LIMITED | 9 |
| PARAMAX SYSTEMS CANADA | 10 |
| MCDONNELL DOUGLAS CANADA LTD | 11 |
| ALLIEDSIGNAL AEROSPACE CANADA | 12 |
| TECHNOLOGIES IND. SNC INC. | 13 |
| CANADIAN MARCONI CO. (AVIONICS DIV.) | 14 |
| LITTON SYSTEMS CANADA LIMITED | 15 |
| BRISTOL AEROSPACE LIMITED | 16 |
| BOEING CANADA LTD. | 17 |
| STANDARD AERO LTD. | 18 |
| CANADIAN GENERAL ELECTRIC CANADA INC. | 19 |
| MECASNO AEROSPACE LTD. | 20 |

**GUIDELINES AND GLOSSARY OF TERMS
PROVIDED BY FIRMS PARTICIPATING IN THE
AEROSPACE AND DEFENCE-RELATED INDUSTRIES
SURVEY – 1995**

Company

Name The legal name of the company, and in the case of multi divisional companies, indicate the Division or Divisions/Subsidiaries to which the data relates.

Contact

Person The person to be contacted in the event that clarification of data is required.

Currency

Survey returns are reported in current dollars.

Sales

Total sales of the Canadian Company or in the case of multi-divisional companies, the sales of the Division or subsidiary reporting. It **should not include** the sales of divisions or subsidiaries which are **not** involved in the Aerospace and Defence Industry, but should include sales by Aerospace and Defence oriented divisions in other industrial sectors.

1. Domestic Sales

Sales made to companies domiciled in Canada, where the products or services are delivered to a Canadian address including sales by a U.S. subsidiary to Canadian companies.

a) Sales to the Canadian Government

Sales to any Department or Agency of the Federal Government including Crown Corporations.

b) Sales to Canadian Aerospace and Defence Companies

This category covers sales to companies in the Canadian Aerospace and Defence-related sector which will incorporate the product into a higher assembly. The intention is to eliminate double counting of sales.

Example A — A machine shop manufacturing parts which are sold to a Canadian engine manufacturer would report these sales as "Sales to a Canadian Aerospace and Defence company".

If the engine manufacturer sells engines to a Canadian aircraft manufacturer these sales would be reported as "Sales to a Canadian Aerospace and Defence Company".

If, however, the engine manufacturer sells an engine to an aircraft operator such as an airline, the sale would be reported as "Sales to other Canadian customers".

c) Sales to other Canadian Customers

This category covers sales to Canadian customers who are not in the business of manufacturing and selling higher assemblies or products. It includes sales to aircraft operators, maintenance facilities and other non-manufacturing customers.

Total Domestic Sales

The sum of a), b), c) preceding.

2. Export Sales

This category covers all sales where the product or service is delivered to an address outside Canada, including sales by a Foreign Subsidiary of a Canadian company.

a) Sales to the United States Government

All sales to the United States Federal Government, its agencies, Departments, and Administrations.

b) Sales to U.S. Contractors

All sales to U.S. companies which incorporate the product into higher order assemblies.

c) Sales to other U.S. customers

All sales to U.S. companies not included in a) and b) preceding.

d) Sales to other foreign governments

All sales to federal governments, agencies, administrations, and crown corporations except Canada and the United States.

e) Sales to other foreign contractors

All sales to foreign companies (other than U.S.) where the product will be incorporated into higher order assemblies.

f) Sales to other foreign customers

All export sales other than a), b), c), d) and e) preceding.

Total Export Sales

The sum of a), b), c), d), e) and f) preceding.

3. Total Sales

The sum of total domestic sales and total export sales.

4. Military sales

Estimate: military/defence sales % of total sales

The estimated percentage of total sales which represent military and or security systems and components. This will include both domestic and export sales.

5. Personnel Costs

Wages, salaries, bonuses, and fringe benefits for all employees. Does not include Training Costs.

6. Materials and Supplies

a) Purchased from Canadian Aerospace and Defence companies

Includes Aerospace and Defence components, systems, and sub-systems manufactured to Aerospace and Defence standards by Canadian companies.

Does not include raw materials, commercial or industrial hardware or components.

b) Purchased from other Canadian Sources

All other materials and supplies purchased from Canadian companies.

c) Imported from U.S. Suppliers

Includes all material of U.S. origin whether procured directly from the supplier or through a Canadian agent.

d) Imported from other foreign sources

Includes all material not of Canadian or U.S. origin whether procured directly or through a Canadian agent.

7. Training Costs

The estimated cost of employee training whether carried out in house or in external institutions. Does not include that portion of training cost borne by Federal, Provincial, or other government agencies.

8. Other Costs and Expenditures

All other costs and expenses not defined above.

9. Investment

Total investment from all sources. Includes government contribution.

a) Plant

Acquisition or improvements to real property, acquisition, construction or improvements to buildings, and investment in services such as access to electricity, water etc. Includes construction and improvements to specialized test facilities such as test cells.

b) Machinery

Acquisition and replacement of machinery, tooling, and specialized equipment where it is the normal practice of the company to capitalize the costs. Includes laboratory equipment.

c) Research and Development

All research, design, and development. Does not include plant engineering, production engineering, or quality engineering.

Includes engineering research and development; materials and components; construction, test, and evaluation of prototypes; and such special equipment as may be required for such activities, including pre-production costs.

The percentage of R&D investment paid for by customers i.e. 3rd party revenues, to be quoted.

10. Government Support

All support in the form of grants and contributions from the Federal Government. Does not include R&D carried out under contract, but support from funded assistance programs such as DIPP, etc. is included. Repayment contributions are included.

a) Support from Industry Canada for Research and Development

Support for R&D under the R&D elements of the DIPP.

b) Support from Industry Canada for Source Establishment

Support from Industry Canada under the Source Establishment element of the DIPP.

c) Support from Industry Canada Capital Assistance

Contributions from Industry Canada for the acquisition of advanced production equipment to modernize or upgrade manufacturing capability.

d) Support from Industry Canada for Feasibility Studies

Contributions from Industry Canada under the feasibility study element of the DIPP.

e) Support from other Departments

Grants and Contributions from other Federal Government Departments, agencies, and or Crown Corporations.

f) **Repayments**

Repayments to the government of contributions which had been made under the DIPP.

11. Opening Inventory

Company owned inventory on hand at the beginning of the year.

12. Backlog of Orders

Firm orders on the books at year-end. Includes provisional orders (e.g., letter of intent) and excluded options to be confirmed at a later date.

13. Employment

Engineering/Scientific Employment

Engineers, scientists, and technicians involved in Design, Research, and Development. Does not include administrative, secretarial, or support staff.

Production Employment

All employees engaged in production functions, including, production engineering, quality engineering, material procurement and material handling. Excludes secretarial, administrative, and support staff.

Other Employment

All employees not covered in the preceding two groups.

14. Regional Dispersal

Breakdown (%) of corporate activity by region. The percentage breakdowns reported are used to estimate the regional distribution of sales and employment.

15. Breakdown of Sales by Sub-Sector

Airframe (Sub-sector)

All structural elements, accessories, components, systems and sub-systems which form part of an aircraft with the exception of avionics, propulsion and defence electronic systems.

Propulsion (Sub-sector)

All structural elements, components, accessories, systems and sub-systems which form part of the propulsion system of an aircraft.

Avionics (Sub-sector)

All electronics systems, sub-systems and components which are carried aboard an aircraft. Includes electrical power generation and conditioning systems. For the purpose of this survey, ground based equipment for navigation and air traffic control, and aircraft simulators are considered to be part of the Avionics Sub-sector.

Excludes spacecraft electronics which for the purposes of this survey are considered to be part of the Space Sub-sector.

Space (Sub-sector)

All structural elements, components, accessories, systems and sub-systems which form part of a space vehicle or satellite, including its payload, propulsion system, imaging radar, and remote sensing equipment.

All elements of the launch complex and earth stations for command, control of, and communication with a space vehicle, including equipment for enhancement of remotely sensed images. Does not include earth station equipment for transmission and reception of commercial telecommunications or television signals.

Defence Electronics (Sub-Sector)

All electronics systems, sub-systems and components which have defence related capabilities.

All non-Aerospace and Defence products and services provided by companies which also produce products or services defined in one or more of the preceding sub-sectors.

16. Sales of Proprietary Parts and Systems

This covers parts and systems which your company manufactures to your own design or specification.

Sub-contract Sales

This covers parts which your company produces under subcontract to a design or specification controlled by others. It includes special services such as heat treatment, impregnation, surface coating, testing, and quality assurance activities carried out under sub-contract.

Agency Sales

This covers the sale and distribution of products **not** of your own manufacture.

Repair & Overhaul

This covers repair and overhaul activities carried out under contract. It does not include repair and overhaul activities carried out by airlines or aircraft operators for their own account.

Sales of Services

These include systems engineering, consultancy and customized maintenance systems, as distinct from the sale of manufactured products.

Spares

Estimate the percentage of total sales in each sub-sector which are sold as spare parts.

Notes:

1. Gross Sales (gross sales are the total sales for the sector).

2. Gross Output was estimated with the following formula:

$$\text{Gross Output} = (\text{Total Sales} + \text{Ending Inventory}) - \text{Opening Inventory}$$

Ending inventory for 1999 was estimated with the following formula:

$$(\text{Opening Inventory 1998/Order Backlog 1998}) * (\text{Order Backlog 1999}).$$

3. Net Sales for the sector are defined as Gross Sales minus sales to domestic Aerospace and Defence companies (i.e. sales to the sector by firms in the sector itself). Net Sales have traditionally been estimated in previous survey reports to present a sales figure, which in aggregate, avoids double counting of sales among domestic Aerospace and Defence companies.

4. Value Added is an economic concept which measures the value of the output generated by a sector, but avoids double counting the value created by other sector's that supply inputs to that particular sector.

Gross Output of the Aerospace and Defence industries Sector includes the Value Added produced within the sector itself, but it also includes the Value Added produced by other sectors on the inputs purchased by the Aerospace and Defence Sector.

The Value Added produced by the Aerospace and Defence sector is distributed to the factors of production in the form of income. For instance, the income generated by adding value in production is distributed to:

- labour in the form of wages, salaries, etc.;
- the owners of capital in the form of:
 - allowances for depreciation;
 - interest payments to debt holders;
 - profits to equity holders; and,
- governments in the form of taxes, licence fees, etc.

5. The "Other" sub-sector consists mainly of "land and marine vehicles and equipment manufacturers", but it does not include the **Canadian shipbuilders**.
6. Sales data were deflated with Statistics Canada's Industry Selling Price Index for the Aircraft and Parts sector while the Value Added data were deflated with Statistics Canada's Implicit Price Index for GDP in the Aircraft and Parts Sector.

Statistics Canada's Price Indexes used to deflate Sales and Value Added per worker are shown below.

| YEAR | INDUSTRY SELLING PRICE INDEX - AIRCRAFT AND PARTS | GDP DEFLATOR - AIRCRAFT AND PARTS SECTOR |
|-------|---|--|
| 1984 | 0.899 | 1.054 |
| 1985 | 0.963 | 1.141 |
| 1986 | 1.000 | 1.000 |
| 1987 | 1.002 | 1.049 |
| 1988 | 1.026 | 0.959 |
| 1989 | 1.056 | 1.085 |
| 1990 | 1.090 | 1.125 |
| 1991 | 1.126 | 1.163 |
| 1992 | 1.176 | 1.326 |
| 1993 | 1.235 | 1.278 |
| 1994 | 1.313 | 1.227 |
| 1995 | 1.379 | 1.213 |
| 1996* | 1.432 | 1.232 |
| 1997* | 1.488 | 1.250 |
| 1998* | 1.545 | 1.270 |
| 1999* | 1.605 | 1.289 |

* **Note:** The indexes were projected over the forecast period by multiplying 1994 actual data with the average annual compound growth rate of growth in the index prevailing between 1984 and 1994. This is equivalent to assuming that inflation in the sector over the forecast recovery period will be comparable to the rate prevailing prior to 1994. Since deflators for the defence sub-sector are not readily available, the Aircraft and Parts deflators were used. The latter do not accurately measure inflation in the defence sub-

sector, but it is difficult to say whether they overestimate or underestimate inflation in the defence sub-sector. If anything Statistic Canada indexes for Aircraft and Parts generally increased faster prior to 1994 than its indexes for the "Other Electronics Sector" where some of the Avionics and Defence Electronics firms are located. In view of this, the indexes used may overstate inflation and thus tend to underestimate labour productivity, estimates.

Compound Annual Average Rate Of Growth (CAARG)

The (CAARG) is a useful measure for comparing two rates of growth in different time periods when the two time periods are of different length. Essentially it measures a rate of growth, which if compounded annually, would project the initial annual observation in a time series to the level of the last observation. The rate is an average in the sense that the same rate applies each year over the period in question. Alternatively one could compare a simple average rate of growth over two different periods, however, a simple average may over or understate the actual rates rate of growth if there are extreme values (i.e. unusually high or low values in the data).

To calculate the CAARG that would project the level of gross sales in 1984 to the level prevailing seven years later in 1991, use the following formula:

$$\text{CAARG} = \{[(\text{Gross Sales 1991}/\text{Gross Sales 1984})^{(1/7)}] - 1\} * 100$$

The CAARG calculated above may be compared with similar rates of growth estimated for the two year recessionary period 1991 to 1993, and the five-year 1994/1999 forecast period. Such comparisons give some idea of the relative magnitude of the recession as well as the relative strength of the recovery compared with pre-recessionary rates of growth in the industry.

